

Social Security Bulletin

October 1941

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Intake Practices in Local Public Assistance Agencies

Negro Domestic Workers in Private Homes in Baltimore

**Workers With Annual Taxable Wages of
Less Than \$200 in 1937-39**

Experience-Rating Operations in 1941

**Assistance Payments and Social Characteristics of
Recipients Accepted for Old-Age Assistance**

**FEDERAL SECURITY AGENCY
SOCIAL SECURITY BOARD
WASHINGTON, D. C.**

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WASHINGTON, D. C.

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Social Security in Review

PRESIDENT ROOSEVELT announced at a press conference on September 30 that he plans to send a special message to Congress on revision of the social security program. Among the objectives mentioned by the President were extension of the coverage of the old-age and survivors insurance system and the unemployment compensation program and provision of special Federal aid for the public assistance programs in low-income States.

SURVEYS TO FORESTALL threatened unemployment resulting from priorities of defense materials are under way in several cities. The regional labor supply committees are conducting the surveys through the facilities of the State employment offices and in cooperation with local representatives of labor and management. If it is found that industrial plants affected by shortages can be adapted to defense production, the Division of Contract Distribution of the Office of Production Management will attempt to allocate suitable contracts. If conversion is not possible, the Bureau of Employment Security and the affiliated State employment services will be responsible for registering all displaced workers and referring them to openings in defense and other plants. In the case of workers who are not qualified for immediate referral to jobs, the employment service will arrange with the local vocational education authorities for the prompt establishment of training courses to prepare the workers for specific defense occupations. It is anticipated that on the basis of these surveys patterns can be established for programs to be extended to other similarly affected areas.

Benefit operations under the employment security program in August offer a measure of the increase in employment in the first year of the defense program. In that month nonagricultural employment reached a new high of 39.5 million, 3.6 million more than in August 1940. Fewer

claims for unemployment benefits were filed and fewer benefit checks were issued than in any month since unemployment benefits became payable in all States. That both claims and benefit payments declined despite increasing lay-offs because of shortages of material and equipment suggests the possibility that many of the lay-offs were of comparatively short duration and also that hiring by the defense industries was more than offsetting current lay-offs. The \$26.5 million paid in benefits and the 2.4 million weeks compensated were both about half the August 1940 totals, and each represented a decrease from July 1941 of about 10 percent. Total benefit payments of \$252.4 million for this year were 35 percent less than for the same period last year. In August 1940 a minimum of 1.3 million workers received benefit checks; this August, benefit checks went to some 677,000 workers, and the weekly average of recipients was the lowest for any month since October 1939.

State employment offices made 510,000 placements in August, more than half again as many as in August 1940 and the highest monthly volume since the defense program was initiated. In the first 8 months of this year 3.5 million placements have been made for some 2.4 million different individuals. In the comparable 1940 period 2.3 million placements were made for 1.5 million different individuals. The active file fell to 4.7 million at the end of August, 6 percent less than the July total and 10 percent less than the total a year ago. Although applications for jobs decreased from July, they were 14 percent above August 1940 applications.

Information reported regularly to the Bureau of Employment Security on future labor needs of 9,900 selected plants manufacturing vital defense materials indicates that during the last 4 months of this year employers in these plants expect to need some 273,000 additional workers. More than half of these workers will be needed in air-

craft and shipbuilding industries. Arrangements for recruiting the number and type of workers needed in the defense program will be the responsibility of the State employment offices. In cooperation with other agencies, they will also assist in determining the types of defense vocational training courses to be given.

Local State employment offices are working closely with the local selective service boards in a reemployment program for men discharged from military service in consequence of a recent amendment to the Selective Service Act. It is anticipated that approximately 200,000 men will be released between September and December of this year, and a reemployment committeeman, appointed by the State selective service director, is to act as liaison and consultant between the soldier, his former employer, industry, and the State employment services. The local employment offices will assist directly in placing released men who are unsuccessful in obtaining reinstatement, those who were unemployed or in temporary jobs when they entered the Army, and men who because of occupational training while in military service hope to get better jobs or who for various reasons are unwilling to return to their former positions.

AT THE REQUEST of the Civilian Technical Corps of the British Government, the United States Employment Service has undertaken to assist in recruiting workers in certain occupations for work in England. These workers will serve as paid members of a noncombatant body of civilian craftsmen enrolled on a voluntary basis by the British Government to maintain and repair technical equipment used by naval, military, and air forces. The Metal Trades Placement Unit of the New York State Employment Service in New York City was designated by the Bureau of Employment Security as the order-holding office in the recruiting program.

AN INCREASE from July of 20,200 in the number of monthly benefits in force under the old-age and survivors insurance program brought the total to 412,700 at the end of August; the amount of benefits in force totaled \$7.5 million. The average for all benefits in current-payment status was \$18.10. As demands increase for experienced workers in defense activities, more employees at retirement

age are continuing in or returning to employment, as reflected by the fact that the proportion of all beneficiaries in current-payment status, as well as the proportion of primary beneficiaries, has declined each month since February. Lump-sum payments certified in August on the wage records of 8,500 deceased workers amounted to \$1.2 million.

IN AUGUST, for the fifth successive month, total expenditures for public assistance and earnings on Federal work programs decreased. Payments totaling \$161.1 million—4 percent less than in July and 25 percent less than in August 1940—are estimated to have benefited 10.4 million persons in 4.0 million households in the continental United States. Total earnings on projects of the Work Projects Administration decreased 9 percent to \$61.1 million in August. Payments for the special types of public assistance, on the other hand, increased slightly from July and amounted to \$60.3 million; increases of less than 1 percent occurred in all three programs. General relief payments were \$19.6 million, 1 percent less than in July but 38 percent less than in August a year ago.

WITH THE APPROVAL by the Social Security Board of its plans for aid to dependent children and aid to the blind on September 26, Texas became the forty-second jurisdiction to administer plans for all three types of public assistance under the Social Security Act, the forty-fifth with an approved plan for aid to dependent children, and the forty-fourth for aid to the blind. The new programs will be administered by the Department of Public Welfare, which also administers the old-age assistance program, in operation since April 21, 1936. Applications for assistance will be taken at local welfare offices. Federal grants were also approved for the new programs: for aid to dependent children, \$20,000 for the quarter July–September and \$215,000 for October–December; for aid to the blind, grants of \$12,500 and \$95,000 were made for the corresponding quarters. The State estimates that under the new plans, which became operative immediately upon approval by the Board, some 20,000 needy dependent children and 3,000 needy blind persons will be receiving assistance payments by the end of this year.

Intake Practices in Local Public Assistance Agencies

MARGARET LEAHY *

THE PROCESS of taking applications for assistance for the needy aged, the needy blind, and dependent children and of determining eligibility today has a meaning quite different from that of 8 or 10 years ago. With the rapid expansion in these programs made possible by the Federal Social Security Act have come many changes in methods of administration. Broader and more flexible policies and procedures have been and are being developed for effective operation of the public assistance program.

The fact that in March 1941 there were more than twice as many persons receiving aid to the blind, three times as many families receiving aid to dependent children, and almost twenty times as many persons receiving old-age assistance as there were in March 1933 gives some idea of the impact of public assistance upon State and local welfare agencies. Even in States where there had been statutory provision for these types of assistance prior to the passage of the act, the early programs reached only a small portion of the persons for whom they were intended. Participation was not always mandatory; often the counties could choose not to provide assistance. With the added resources available to the States and local agencies, all political subdivisions in States with approved plans now participate in making provision for these types of assistance.

A significant factor affecting administration of public assistance since the passage of the Social Security Act has been the placing of responsibility for supervision of the public assistance programs upon a single State agency. In the earlier programs, State supervision existed in only a small number of States in which there was State financial participation. Formerly each local agency had its own policies and practices, and controls for seeing that those who applied for assistance received equitable consideration were either nonexistent or generally inadequate. Opportunities existed for

discrimination in the consideration of applications within the same State and even within the same county. Applicants denied assistance had no recourse.

The fact that a single State agency now administers or supervises the administration of public assistance within each State and that the agency must meet certain requirements in order to qualify under the provisions of the act is resulting in changing concepts of the program. In contrast to the old poor-law traditions, the concept of assistance as a right, available on fulfillment of certain conditions of eligibility, is developing. Policies and procedures designed to facilitate providing assistance to all eligible persons on an equitable basis are being promulgated by State and local agencies. The opportunity to apply for assistance is being made available to a larger group of persons, and there is a growing recognition of the value of uniformity in the procedures for taking applications with enough flexibility for consideration of individual circumstances. Formerly the final decision as to which persons in the community might receive assistance rested entirely with the local agencies. Now an applicant who is dissatisfied with the decision of the local agency may make a formal appeal to the State agency for a reconsideration of the decision. When the hearing is held, it is the State agency's decision that becomes binding upon the local agency.

The establishment in local communities of the principle of State supervision of local agencies and the right of individuals to a fair hearing is a slow and tedious process requiring continuous interpretation and leadership. Local autonomy has always been an important factor in a community's attitude toward the problems relating to the provision of financial assistance to groups receiving relief. The introduction of the rules and regulations of the State agencies into the local communities in such a way that they are understood and accepted has, therefore, involved constant work on the part of State and local public

*Bureau of Public Assistance, Field Division. Paper presented at the National Conference of Social Work, Atlantic City, June 4, 1941.

assistance workers and has met with varying success.

A marked development in the acceptance by local agencies of the leadership and supervision by the State agency is easily discernible. Even now, however, there are wide variations in practices in local agencies, often within the same State. These variations reflect the attitudes and pressures of the community and indicate that local agencies are coping with many problems in an attempt to give equitable treatment to applicants and recipients and to maintain satisfactory working relationships with other local groups and with the State agency.

Responsibility for developing and promulgating the policies and rules and regulations for taking applications and determining eligibility is now shared by the State agency and its local agencies. Making the opportunity to apply accessible to applicants and informing them of the conditions of eligibility are largely the responsibility of the local agencies.

To establish satisfactory procedures for receiving applicants, for answering inquiries, and for helping to prepare applications and to determine eligibility is challenging, particularly in a public agency which is constantly under the surveillance of the community. One of the most effective ways of informing the community about the program is by channeling information through the applicants and recipients themselves. Their first impressions of the agency, their understanding of its policies, and their reactions to the workers have, therefore, a direct bearing not only upon the future attitudes of the applicants but upon the community and its support of the agency.

An applicant who finds the office easily accessible and who has an opportunity to tell his problems to a skilled interviewer in private and without undue delay, interruption, or confusion has a vastly different attitude from that of one who encounters a crowded office and must explain his problems in the presence of others. Local welfare offices are seldom located in modern buildings with sufficient space and equipment for suitable reception facilities and privacy of interview. Many offices are located in rooms which have poor ventilation and lighting and are served by antiquated elevators or reached by steep, dark stairways. Offices may be in courthouses, above garages, in basements, in buildings formerly used for warehouses or factories,

or in buildings formerly used as residences. Frequently waiting rooms are overcrowded, and reception facilities are inadequate.

Many agencies have recognized this problem and have attempted to obtain suitable quarters. Failing in this attempt, they have used makeshift devices in order to give a semblance of privacy to the applicant who requests assistance. Some agencies, to eliminate overcrowding in the waiting room, make more home visits than would ordinarily be required; some have found it necessary to make appointments for applicants to return for the intake interview; and, in some instances, the workers hold interviews in their automobiles in order to ensure some degree of privacy.

Decision as to the Type of Assistance

The applicant should be free to choose the type of assistance for which he wishes to make application. Ordinarily, of course, he will not wish to apply unless he believes his eligibility can be established; and, if the various services of the agency and the eligibility requirements are explained to him in the course of the intake interview, he obtains help in the selection of the program which will best meet his need.

Various factors have served at times to make it difficult for agencies to provide immediately the type of assistance best suited to the need of the applicant. Funds are often inadequate. Community attitudes may force rejection of the applications of persons who supposedly do not have proper moral character.

The growing tendency to integrate and coordinate all public welfare services at the local level has meant that many agencies now administer not only the three categorical programs but also general relief. Frequently the same agency makes certifications to the National Youth Administration, Civilian Conservation Corps, Work Projects Administration, and Farm Security Administration and may also be responsible for child welfare and other related services. In some of these agencies, persons who ask for one of the special types of assistance are required to make a general application for assistance on the theory that the agency will determine the type of assistance which best meets the need of the applicant. As a matter of fact, financial limitations and community pressures may be such that the primary concern of the

agency is necessarily the conservation of funds rather than the type of assistance most suitable for the applicant. Consideration is given first to aid under programs of the WPA or FSA, which involve little or no cost to the county. If the applicant does not meet the qualifications for these types of assistance, he may be permitted later to file application for old-age assistance, aid to dependent children, or aid to the blind.

In some counties applicants who may seek and be eligible for aid to dependent children first receive general assistance. After a period of observation in which the applicant has been proved technically eligible and has demonstrated his ability to handle or manage cash, is found to be unemployable, maintains a "suitable" home, is considered able to manage on aid to dependent children without supplementation, or will benefit from a long-time program, he is considered ready for aid to dependent children. In the meantime, if general assistance payments are lower than payments for aid to dependent children, the opportunity for continued maintenance of the child's home may be lost through inadequate general assistance payments. Moreover, if general assistance is provided in kind instead of in cash, the family does not have the opportunity for managing its affairs and for utilizing its resources in the way it considers best. Families receiving general assistance who are potentially eligible for aid to dependent children may be overlooked as a result of the pressure of work that often exists when there are large general assistance case loads.

When, on the other hand, the agency administers a number of programs of assistance, there are certain advantages to applicants. Those who are found ineligible for the type of assistance for which they make application may be considered and found eligible for another type of assistance without delay or inconvenience to them or to the agency. Moreover, when an applicant is eligible for more than one type of assistance and there is a long waiting list for the type of assistance that best suits his need, there may be vacancies in the quotas for other types of assistance. In such instances, assistance can be made readily available. Old-age assistance or aid to the blind is substituted wherever possible in some counties in which there are long waiting lists for aid to dependent children. As soon as the family is reached on the waiting list, aid to dependent children is provided.

In many instances general assistance is made available during the waiting period.

Taking the Application

The purpose of the written application is to have recorded evidence that an applicant has, on his own responsibility, made a formal request for assistance. If the intake interview proceeds skillfully to the point at which the applicant understands the requirements, and if no circumstance appears which definitely makes him ineligible for assistance, it should be possible to take the application for one of the special types of assistance at that time. Since a written application for assistance is a protection to the applicant who may wish to appeal in case action on his request is delayed, the sooner it is taken the greater his security in the consideration of his right to a fair hearing. Moreover, uniformity in recording an application makes for accuracy in the statistical count of applications. Uniformity also makes possible the comparison of time required for the agency's action on one application as compared with another. Moreover, interagency comparisons are more nearly valid.

The right to make written application should depend only upon the applicant's belief in his eligibility and not upon proof of eligibility typified by documentary evidence, establishment of need, or the performance of certain preliminary investigations. In some agencies, applicants may make written application when they first request assistance. In others, a written application is made and reported statistically by the agency at a later visit, usually by appointment, when a detailed intake interview is held. In some, an application is taken only when the applicant has proof of such eligibility requirements as age or residence. Although in many instances the applicants are able to obtain the required proof without serious difficulty, there are some who, through a lack of knowledge or because of fear, may not take the steps necessary to obtain evidence of their eligibility. Thus, even though they have requested assistance, if the applicants do not return to the agency and the agency does not seek them out (as they frequently do not), the applications become in actuality rejections.

In still other agencies, the burden of responsibility for establishing the eligibility of applicants

is assumed by the agency, but the request is not considered and reported as an application for assistance until all necessary proofs of eligibility have been obtained. In some places where the State agency makes the final decision regarding eligibility, the request for assistance is considered as an application only when the record is sent to the State office for approval of a payment.

It is common practice to reject persons at intake without taking a written application if they seem obviously ineligible for old-age assistance, aid to dependent children, or aid to the blind. This practice is undoubtedly sound, provided rejections are made by persons qualified to make the decision and are based on clear-cut evidence of inability to meet technical requirements, such as age or residence, and provided the reason for the rejection is clearly interpreted to and understood by the applicant. If, however, the applicant is dissatisfied with the decision, he should have opportunity to file a formal application and to obtain the same consideration of his request as is given other applicants.

Unfortunately, the records of rejections at intake are often so meager that it is impossible to determine by review whether the applicant has had full opportunity to apply and equitable consideration of his request. In many instances in which the reason for rejection is recorded, the agency's basis for deciding that the application should not be taken is not substantiated by information in the case record. While the recorded reasons for such rejections usually relate to technical eligibility requirements, some are based on a worker's decision that need does not exist, either because of the applicant's statement of his income or the presumed ability of relatives to furnish support.

For various reasons it is desirable to keep a complete record of the interview and of the decision reached jointly by the receptionist or intake interviewer and the applicant. Such a record safeguards the interests of the applicant and the agency and is useful to the agency if the applicant reappplies. It is available when questions arise as to the consideration given to the applicant when he made his request for assistance, and it affords the necessary material for a review of his opportunity to apply. This opportunity is the first and perhaps the most important step in the application process.

The Application Form

The application is essentially a petition for a benefit to which the applicant believes he is eligible, and the application blank is the form on which the petition is presented. The form is developed primarily for the use of the applicant, and for this reason it is important that the content be limited to the data that are germane to the filing of a written application and that the items be simple to avoid confusion and error in preparation.

The application blanks now in use vary in content and form. Separate forms are generally used by local agencies for each of the special programs. Some are simple and limited as to content; others are needlessly elaborate and include too much of what should be a part of the investigation of eligibility.

An application form could include only a request for assistance, data identifying the applicant, and the signature of the applicant. Agencies have found, however, that it is usually advisable to make the application blank for categorical programs somewhat more inclusive. It seems especially desirable to be certain that the applicant is aware of the eligibility requirements of the program under which he is applying for assistance and that he is aware of his right to a fair hearing. One method used is to include this information in the application blank or on a supplementary form, where it is stated in simple terms which any ordinarily intelligent applicant can understand.

No doubt the contents of some application blanks look as formidable to the applicants as insurance policies and income-tax blanks look to some of us. Therefore, if the applicant is to understand the requirements of eligibility and to comprehend his responsibilities in fulfilling the conditions of eligibility, the application blank should be so simple that many applicants could, if they wished, make out their own blanks. In addition, it is desirable that the agencies give information, advice, and aid in filling out these blanks. An especially skilled staff of workers is being provided by some agencies to carry on the intake interview with each applicant. At this time, the eligibility requirements are more carefully interpreted and explained than is feasible on an application blank. Ordinarily the applicant himself should fill out the blank. If he is unable

to do so or desires help, the worker may assist him. When help is given, it is essential that the applicant have a complete understanding of the information on the form before he signs it.

Although agencies do not always require the signature of applicants on applications for general assistance, it is customary in nearly all agencies to have the application for old-age assistance, aid to dependent children, or aid to the blind formalized by the applicant's signature. In some instances the signature must be witnessed or notarized. Twenty of 51 jurisdictions administering old-age assistance, 13 of 43 jurisdictions administering aid to the blind, and 10 of 44 jurisdictions administering aid to dependent children under State plans approved by the Social Security Board require applicants for these types of assistance to make their applications under oath.

If the application blank is used merely to identify the applicant, to set forth the eligibility requirements, and to record his request for assistance and his belief that he is eligible, there seems to be little reason for concern over the question whether or not the document is legally binding. Investigation of eligibility is a social study and cannot be a mere check on the veracity of statements made by the applicant or by other informants. Assurance of an applicant's veracity is usually much less important, in fact, than assurance that he has fully understood the eligibility requirements and that in making his statements he has understood and taken into consideration all the facts that have a bearing on eligibility. The applicant's feelings are also important, since they inevitably influence the selection of facts to be included in his statements and likewise his method of presenting them. In other words, the facts back of the applicant's statements and his purpose in making them are as significant as the statement itself.

The Investigation or Social Study

The basis for determining the eligibility of individual applicants for old-age assistance, aid to dependent children, or aid to the blind is the investigation or social study that is carried out by the local unit. The investigation begins at the first request for assistance and extends through the decision to grant or withhold assistance. It consists of a careful inquiry into the applicant's

circumstances as they relate to the conditions of eligibility established by the State agency, the accumulation of the best information available to substantiate his claims, the weighing and evaluation of this information as a reasonable basis for determination of eligibility, and the decision to grant or withhold assistance. It involves the collection and evaluation of information from a wide variety of sources and requires the constant application of the essential skills of social case work and the use of tact and discrimination that can be assured only under effective supervision.

The investigation brings into focus the policies of the State and local agencies, and in the final analysis the decision reflects the attitude of the worker and of the community toward individual applicants and toward the program. A clear definition of terms and a thoughtful formulation of policy by the State agency will establish basic methods of work, leaving to the judgment of the individual worker those matters in which discretion and flexibility can assure more sympathetic treatment and better service to the applicant. Basic also is the need for the worker to know the policies and procedures so that she can interpret them to the applicant. Her ability to apply the eligibility requirements to the applicant and to his particular situation determines whether the applicant leaves with a feeling that application is a mechanical process or a process in which there is recognition of his own particular problems.

To assist and direct the worker in this important task, agencies are recognizing the need of providing trained and experienced case-work supervisors in the local agency to interpret the rules and regulations of the State and local agency; to direct the worker to appropriate sources of information during the investigation; to assist in evaluating evidence obtained; and to share in the decision as to what service is to be provided.

The division of responsibility among the various agency workers for establishing eligibility is important only as it relates to proper consideration of the application and to the promptness with which the applicant's needs are considered. The division of responsibility between the receptionists and the intake interviewers or between the intake interviewers and the home visitors is not always clear-cut. In some agencies, clerks act as receptionists and are responsible for most of the inter-

viewing at intake; in others, their services are limited to routine activities, such as recording identifying information and clearing the request with the master index and the social service exchange. In some agencies, the intake interviewer is a professional person whose responsibilities for a particular application end when the intake interview is dictated. In some, the intake interviewer also makes telephone calls and prepares letters for verification of such eligibility factors as may be obtained without home or collateral visits. In others, the worker who conducts the intake interview carries complete responsibility for establishment of eligibility and may or may not have continuing responsibility for service to the recipient.

Most agencies consider the establishment of eligibility a joint responsibility: the applicant supplies information about his economic and social status and obtains documentary proofs of eligibility when they are readily available, and the agency assumes responsibility for supplementing this information through correspondence, contacts with other social agencies, and search of public records. Such a plan tends to preserve in the individual the impulse toward self-help and independence and helps him to understand the agency's resources and its policies and procedures.

When the requirements are thoroughly understood, applicants are usually better able to furnish the detailed data needed to establish eligibility. The applicant himself is the primary source of information and therefore should know his full rights and responsibilities under the State plan, including his right to a fair hearing. Some local agencies have found it helpful to supplement an oral explanation to the applicant by a booklet giving full and clear explanation of the provisions of the plan as they relate to individual applicants, of facilities available for service to him, and of his obligations. In some agencies, this information is given by the receptionists, and in other instances by the intake interviewers. Some agencies depend entirely upon oral explanation by the workers of the opportunity for a fair hearing and of the eligibility requirements. Others make no special provision for assuring that applicants fully understand eligibility requirements, their responsibilities in establishing eligibility, or their right to appeal from the decision of the local agency.

Determination of eligibility is not a task that can be reduced to a few simple routine steps or

carried out by any one formalized method. Some of the factors of eligibility, such as age and residence, are objective and relatively easy to establish. Some factors, such as income or resources, although they may seem simple, objective, and absolute, really are far from being so. Income, for instance, is often variable and uncertain; and, since future rather than past need must be considered, there must be an estimate of expected income and need, which requires discriminating judgment as well as technical skill. The evaluation of resources may involve estimates of value and availability which also require judgment and discrimination.

Some agencies send out questionnaires, sometimes requiring notarization, or form letters to relatives as a means of obtaining data on their ability to support the applicant. Such a questionnaire usually fails to enlist the interest of the relative in making a financial contribution or in giving service to the applicant that might be obtained through personal contact. Moreover, the use of a questionnaire or a form letter does not generally ensure an accurate and intelligent reply, because the relative usually does not have a sufficient understanding of the objectives of the program to comprehend the significance of the questions asked. Understanding, interest, and cooperation are important, and personal contact is much more fruitful of results.

Satisfactory help from relatives rests on the recognition and acceptance of responsibility as a part of normal and wholesome family relationships. It is therefore desirable that the agency explain the law regarding responsibility of relatives and permit the applicant to make his own arrangements with his relatives. When a satisfactory arrangement cannot be reached on this basis, the worker may interview the relative, explaining to him the scope and objectives of the program and his responsibility under the State law. When distance makes it impossible to interview the relatives personally, an interview by a cooperating agency may be arranged or the worker may write directly to the relative, explaining in detail the situation. In the selection of relatives to be approached, the applicant can participate by indicating which relatives may be able and willing to help him.

It is customary in some agencies to obtain signed statements from friends of applicants con-

cerning the applicant's resources. Aside from the effect of such a practice on the relationship of the applicant with the agency and with his friends, undue responsibility is placed upon the friend, who ordinarily does not know what resources may be available. He is then obliged to refuse information or to give information that may later prove false. Moreover, this requirement gives the veto power to private persons in a matter that requires expert opinion based on preliminary findings of fact and also tends to routinize the investigation process.

If the relationship between the worker and the applicant is skillfully developed, an applicant will usually accept his responsibility for presenting a full and accurate account of his economic resources and the evidence of his ownership of property. He is less likely to do so, however, if agency policies are, or seem to him, unfair and oppressive. The number of persons who conceal resources can be reduced by assurance of fair dealing, and, conversely, the number can be and is increased when agencies attempt to substitute for equitable treatment and individual interpretation mechanical methods of check-up backed by threats, pressure, and actual prosecution of those who are found to have misrepresented their circumstances. Agencies that put their emphasis on establishment of

sound investigatory methods resulting in equitable treatment usually win the confidence and cooperation of applicants.

No attempt has been made in this paper to indicate all the problems in connection with the taking of and action on applications for old-age assistance, aid to dependent children, and aid to the blind. An attempt has been made to emphasize a few selected problems common to all agencies and to show the various ways in which local agencies are dealing with them.

The most vital point in the functioning of a public assistance agency is its method of accepting and acting on applications. The treatment and consideration given the applicant and his participation in the application process are likely to determine the relationship that will exist between the individual and the agency as long as he receives assistance. Public opinion is directly influenced by the applicant who, as a member of the community, expresses his reactions to the services of the agency. Recognizing the far-reaching results of equitable treatment of applicants in the consideration of their applications, local agencies are continually evaluating their procedures in the light of their experience and are attempting to keep attuned to progress in the development of public welfare administration.

Negro Domestic Workers in Private Homes in Baltimore

ERNA MAGNUS *

THE NEED TO EXTEND old-age and survivors insurance to domestic workers in private homes, a group on the lowest rung of the economic ladder, has, in general, not been questioned or denied. This article presents the results of a limited sample study of these workers in their present relation to the program—the extent to which they now contribute through their wages derived from covered employment, their success or failure in obtaining insured status, their chances of attaining such status if their employment were covered, and the measure of protection received by married women in domestic service through the insured status of their husbands.¹

The Sample

The study was conducted by the Bureau of Old-Age and Survivors Insurance during the first 3 weeks of January 1941. Interviewers visited every second home in 53 census tracts in 19 wards of the city of Baltimore and interviewed women who were or had been domestic workers. The tracts and streets included in the sample areas were carefully selected after consultation with various well-informed persons, and organizations such as the Urban League, the Y. W. C. A., and the State Employment Service, so as to obtain an adequate representation of individuals in various wage classes. Interviews were carried on in the homes of the domestic workers themselves and in the homes in which they were employed. In all, 1,211 persons were interviewed. For various reasons, 72 schedules were discarded, and the final sample included 1,093 Negro and 46 white women.

Analysis of the sample was limited to data on Negro women because of the predominance of Negroes in domestic service in Baltimore.² The study included 453 workers in full-time jobs

(resident and nonresident), 95 in part-time jobs, 259 working for one or more employers as regular day workers, 33 temporary day workers (casual workers), and 48 employed outside private homes at time of interview. For purposes of the study, full-time employment was considered to exist where the domestic worker lived in the home of the employer or lived outside the employer's home but worked regularly for the same employer every day in the week (except days off) for more than 6 hours a day and for more than 36 hours during the week. Part-time employment was indicated where the worker was employed less than 36 hours a week, or less than 6 hours a day, or for more than one employer, and was paid by the week. Day work was noted where the worker worked one or more full days (more than 6 hours per day) during the week or during the month by arrangement with more than one employer and was paid by the day. When a worker reported a combination of these types of employment, she was classified by the type of employment in which the major part of her time was spent.

The sample also included 88 Negro women who were unemployed and seeking work and 117 not seeking work at time of interview. With few exceptions, the women reported household employment in private families as their usual occupation.

The sample included the various types of employment characteristic of domestic service. The large proportion of nonresident full-time workers, in contrast to the small group of resident full-time workers, and the relatively large proportion of regular day workers, are typical of Negro household workers in general. A study of white domestic workers would probably have shown considerably more resident and fewer day workers.

Data on the age and marital status of the Negro women included in the sample conformed closely to findings of the 1930 census on Negro household workers in the city of Baltimore. The ages of the women interviewed ranged from 15 to 73 years; 32 percent were in the 25-34 year age group, and

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¹ For a general discussion of the characteristics of domestic servants, see Needleman, Rae L., "Domestic Workers in Private Homes," *Social Security Bulletin*, Vol. 2, No. 3 (March 1939), pp. 10-20.

² Of 28,778 women listed by the 1930 census as engaged in "other domestic and personal service" in Baltimore, 22,822 or more than 75 percent were Negro.

Table 1.—Negro women in domestic service in Baltimore:¹ Distribution by age group and marital status

Age at time of interview	Total		Single	Married	Widowed	Separated and divorced
	Number	Percent				
Total ²	1,089	.....	242	507	146	194
Percent of total.....		100.0	22.2	46.6	13.4	17.8
Under 17.....	6	.6	6	0	0	0
17-19.....	48	4.4	36	9	0	3
20-24.....	162	14.9	80	65	1	16
25-29.....	189	17.2	49	101	3	36
30-34.....	159	14.6	29	84	10	36
35-39.....	147	13.5	16	80	20	31
40-44.....	144	13.2	11	75	23	35
45-49.....	89	8.2	6	40	25	18
50-54.....	71	6.5	5	20	32	14
55-59.....	42	3.9	2	20	18	2
60-64.....	17	1.6	0	7	7	3
65 and over.....	15	1.4	2	6	7	0

¹ Women who were in domestic service in private homes at time of interview, or who had been in such domestic service prior to time of interview.
² Excludes 4 women whose ages were unknown.

73 percent in the 25-54 year group (table 1). About 22 percent of the women were single, 47 percent were married, 13 percent were widowed, and the rest were separated or divorced.

A survey similar to that discussed here was made in Philadelphia in the spring of 1940, under the auspices of the National Council on Household Employment and the Committee on Social Security of the Social Science Research Council. A carefully selected sample of 560 domestic workers was chosen for this study. Although the study was not confined to Negro women (slightly more than 25 percent of those interviewed were white), the general findings and conclusions were similar to those found in the present survey.³

Earnings in Domestic Service

In analyzing weekly earnings from household work, consideration was given only to earnings in the job which the women held when interviewed, or if unemployed, in the last job, provided this job had ended within 12 months prior to the interview. In view of the numerous variations in payments in kind and the considerable difficulty in evaluating these payments for each worker in the sample, the analysis was restricted to cash payments.

Weekly cash earnings ranged from less than \$2 to slightly more than \$18 for all women in the sample (table 2). The median earnings of women holding full-time jobs were \$8.89; for part-time

³ Mimeographed copies of the summary and conclusions of the Philadelphia study may be obtained from the Bureau of Old-Age and Survivors Insurance, Analysis Division.

workers median earnings were \$5.73, and for regular day workers, \$4.83. There was no marked concentration in any one wage group. This lack of concentration and also the wide range of earnings reflect absence of standardization of wages in domestic service and indicate the extent to which individual agreements between employer and employee define the economic status of workers employed in private families.

Although the weekly cash earnings as well as the daily and hourly rates were known for the great majority of the women interviewed, the data did not allow for more than rough estimates of the annual cash earnings. This limitation was due to the absence of detailed reports on periods of unpaid vacation of regular day workers and periods of unemployment of less than one month's duration. Estimates of annual cash earnings were possible for only 255 women—slightly more than 30 percent of all women who held regular jobs at the time of interview—who had been at their present full-time jobs for more than 12 consecutive months. The earnings of these women ranged from about \$300 to more than \$900, with a median of \$497. It should be emphasized that these estimates cannot be applied to the whole sample group, since they undoubtedly overstate the average annual earnings of the average household worker in the sample, who did not have full-time employment throughout the year.

The fact that most of the workers received payments in kind in addition to their cash wages undoubtedly operated in many instances to augment their comparatively low weekly cash earnings. The type of payment in kind varied considerably for the individual worker. For 339 women who worked part-time and by the day, 37 different combinations of payments in kind were found in addition to cash wages; and for 448 who were employed as full-time workers, 12 combinations of payments in kind were recorded. Quite apart from the difficulties of setting cash values on such common types of payments as meals, lodging, and clothes, for example, these numerous variations in a very small sample would seem to offer sufficient evidence of the problem that would be involved in any attempt to evaluate individually for each worker the cash value of payments in kind received in addition to cash wages. At the same time, the fact that payments in kind generally constitute a part of the earnings of domestic work-

ers in regular jobs points to the conclusion that they cannot be disregarded in devising a contribution and benefit system if coverage is extended under the old-age and survivors insurance program. State employment security agencies have devised methods for evaluating payments in kind for various classes of service workers who come within the coverage of unemployment compensation systems.

Considering the average earnings found in the study, there would seem to be little probability that workers would have savings or substantial private insurance payments to guarantee protection during old age. It was not surprising, therefore, to find that although four-fifths of the women had made insurance payments—half of them for life insurance and half for sickness, accident, or burial insurance—the largest proportion had made payments ranging from 25 to 50 cents per week. Less than 10 percent of the women stated that they had savings to live on during periods of unemployment.

The need for old-age and survivors insurance coverage was further indicated by the fact that, to a large extent, the earnings of the women interviewed appeared to be used to support dependents either by supplementing the family income or by supporting the family entirely. About one-half of those employed or seeking work reported dependents. Although the majority of the women with dependents were married, widowed, separated, or divorced, it is significant that 37 percent of the single women in the sample had other persons who were dependent on their earnings. About 55 percent of the women with dependents

supported children under the age of 18. This group included a considerable percentage of unattached workers, i. e., women who were single, widowed, separated, or divorced (table 3). It seems reasonable to assume that the majority of the unattached women supported their dependents entirely, while married women—with the exception of those whose husbands were unemployed—supplemented the family income with their earnings.

Participation in the Old-Age and Survivors Insurance System

In analyzing the data on occurrence, extent, and character of work performed outside of private families by the workers in the survey, it should be remembered that the study was conducted in a city where, according to available census data, less than one-fourth of all gainfully employed Negro women were employed in work outside private families in 1930.⁴ It is not surprising, therefore, that jobs outside private homes were found to be an insignificant part of the employment history of the great majority of the women interviewed. This finding held both for the period 1936–40 and for the total working life of the women. According to numerous comments received from the women interviewed, the small degree of industrial mobility was not due to lack of interest in other work but to lack of employment opportunities and training.

About 28 percent of the 1,093 women stated

⁴ Of 30,087 gainfully employed Negro women in Baltimore in 1930, 7,263 had been employed outside domestic service. *Fifteenth Census of the United States: 1930, Population, Vol. III, Pt. 1, p. 1062.*

Table 2.—Negro women in domestic service in Baltimore:¹ Distribution by employment status² and amount of weekly cash wages received³

Type of job and employment status	Number receiving weekly cash wages of—										
	Total	Less than \$2.00	\$2.00–\$3.99	\$4.00–\$5.99	\$6.00–\$7.99	\$8.00–\$9.99	\$10.00–\$11.99	\$12.00–\$13.99	\$14.00–\$15.99	\$16.00–\$17.99	\$18.00 or more
Total ⁴	956	37	110	200	215	179	132	59	12	3	9
Employed in private homes.....	804	32	91	169	182	147	114	49	11	3	6
Full-time.....	448	0	4	55	112	120	96	43	10	3	5
Part-time.....	93	3	11	38	24	7	5	3	1	0	1
Regular day work.....	253	25	71	75	46	20	13	3	0	0	0
Temporary day work.....	10	4	5	1	0	0	0	0	0	0	0
Employed outside of private homes.....	42	2	6	5	8	7	8	5	0	0	1
Unemployed.....	110	3	13	26	25	25	10	5	1	0	2
Seeking work.....	56	2	4	17	13	10	6	3	0	0	1
Not seeking work.....	54	1	9	9	12	15	4	2	1	0	1

¹ See table 1, footnote 1.

² Employment status at time of interview.

³ For employed persons, weekly cash wages are those earned during week of interview, i. e., any of first 3 weeks in January 1941; for unemployed persons,

weekly cash wages are those earned in last job held in household employment, provided such employment was not more than 12 months prior to interview. Excludes 89 women who had no regular jobs during 1940 and 48 whose wages were unknown.

Table 3.—Negro women in domestic service in Baltimore: ¹ Distribution by type of dependents and marital status

Type of dependent	Marital status						
	Total		Single	Married	Widowed	Separated	Divorced
	Number	Percent					
Total ¹	976	100.0	231	430	132	158	25
None.....	505	51.7	145	211	76	60	13
Children only ²	218	22.4	18	116	25	51	8
Parents only ³	58	5.9	12	26	7	11	2
Other family members only.....	144	14.8	48	55	16	23	2
Children and parents.....	2	.2	0	1	1	0	0
Children and other family members.....	38	3.9	3	15	7	13	0
Parents and other family members.....	9	.9	5	4	0	0	0
Children, parents, and other family members.....	2	.2	0	2	0	0	0

¹ See table 1, footnote 1.

² Excludes 117 women not seeking work at time of interview.

³ Children under 18 years. Children 18 and over are listed among other family members.

⁴ Parents 65 years and over. Parents under 65 are listed among other family members.

that they had held jobs other than domestic service in private homes at some time in the period 1936-40. However, jobs insignificant in length of time and in weekly hours of work were included in these figures. Almost half the women had spent less than a year in outside employment during this time, and 63 percent had spent less than 2 years.

Analysis of the work histories of 694 women who had records covering their total working life showed that 45 percent of them had held jobs outside private families during their working lives. About one-third of this group had worked less than a year in outside employment, and almost half less than 2 years. Work outside of private families was reported less frequently by women who were over 45 years of age at time of interview. These findings were markedly similar to those in the Philadelphia survey, where 28 percent of the women reporting outside employment had been so employed for less than a year and 44 percent had had such employment for less than 2 years during their working lives.

Although the types of other industry and occupation varied considerably, the largest concentration of jobs was found in other service industries.⁵ Approximately one-third of the women who had held other jobs during 1936-40 had been

⁵ The industry of the job held longest during 1936-40 or the industry in which most time was spent was used in determining the prevailing industries.

employed in hotels, restaurants, boarding houses, and similar establishments, and about one-fifth had held jobs in manufacturing industries. The rest had been self-employed or had worked in agriculture or in various other types of industry.

More shifts from other jobs to domestic work in private homes were found during this period than from domestic employment to outside jobs. Of a total of 481 shifts listed, 251 were movements into domestic service and 181 from domestic service to other industries. That only part of these shifts represented shifts between covered and noncovered employment is suggested by the reports of the women interviewed and by the findings on their insured status under the old-age and survivors insurance program.

Insured Status

Although 363 women, one-third of the sample claimed social security account numbers, accounts for only 289 could be identified in the wage-record files of the Bureau of Old-Age and Survivors Insurance. About one-fifth of the latter had obtained account numbers for work in covered employment; the rest had received them while on relief work or in search of a job. More than half of the women whose accounts could be identified had no wage credits, and only about one-eighth of those with wage credits had accumulated sufficient quarters of coverage to achieve insured status.⁶

Data from the wage records substantiated facts suggested by the general work histories. Other service industries represented the type of employment for which more than two-fifths of wages in covered employment were paid.⁷ Work in covered employment was more frequently obtained by women in the younger age groups; about 16 percent of the women aged 25-34, for example, accumulated wage credits, as compared with 12 percent for all women. Work in covered industries included many jobs of insignificant length; about 30 percent of the women received wages of less than \$50 during the 3-year period 1937-39,

⁶ For the group under consideration, insured status would have been achieved as of December 31, 1939, if the worker had acquired at least 6 quarters of coverage; for a full definition of quarters of coverage and of insured status see the Bulletin, December 1939, pp. 5-6.

⁷ The industry of the employer who paid the largest part of the worker's wages in 1939 was used in determining the major type of covered employment. Among the types most frequently reported were work in personal-service establishments and hotels, restaurants, and lodging places, accounting altogether for more than 40 percent of industries in which taxable wages were earned.

and about 60 percent received less than \$200 during that time. Moreover, work in covered employment was scattered irregularly over different quarters, preventing the women who contributed to the system from accumulating potential protection from it.

Protection Through Husband's Social Security Status

The lack of insurance protection based on the women's own records was found to be partially compensated by the fact that the husbands of some of the 508 married women held jobs in covered employment. Only 178 husbands, however, were found to have any quarters of coverage, and only 142 had insured status. The measure of protection was especially small for older women. Of the 142 women who would have been eligible for survivors' benefits in the event of their husbands' death, only 22 were 45 years of age or over; 35 of the women whose husbands had social security accounts but not sufficient quarters of coverage for insured status were 45 years of age or over. In only 3 cases were both husband and wife found to have insured status.

Effect of Coverage Under Old-Age and Survivors Insurance

Taxable wages of only \$4 a week, if regularly and continuously received over a 13-week period, are sufficient to yield a quarter of coverage under the old-age and survivors insurance program. If workers were eligible for benefits on the basis solely of their earnings, the study would indicate that, in spite of their comparatively low cash earnings, the great majority of the women interviewed might have been able to attain insured status on this basis. About 85 percent of the women with wages had earned \$4 or more per week, and 64 percent had earned \$6 or more. But in view of the requirement that a specified number of quarters of coverage must be acquired for insured status at any given time, the degree of regularity and continuity of employment is a controlling factor.

Evidence from the work histories as to regularity and continuity was limited in two respects. It was difficult to get complete records of unemployment of less than a month and of voluntary partial unemployment and voluntary unpaid vacations of regular day workers who stayed with their employ-

ers over a period of years. Because of these limitations, it is not possible to draw general conclusions from the findings of the study, although they seem to indicate general trends of employment experience in private families.

The women interviewed had been in household employment for periods ranging from less than 1 year to more than 20 years. But data available for complete histories, showing continuous records from the first job up to the time of interview, indicated that on the average the total time spent in household work was rather short.⁸ The median number of years was less than 7 for all women who were employed or unemployed and seeking work. It was found to be slightly higher both for women holding full-time jobs and for those having regular day work at time of interview—slightly more than 7 and more than 9 years, respectively. About 37 percent had been employed more than 10 years in various types of work for private families, and about 25 percent had done such work for more than 15 years. These findings corresponded, in general, to those of the Philadelphia study. The median length of employment in Philadelphia was slightly more than 7 years, and about 37 percent of the women interviewed reported more than 10 years of domestic work in private families.

As could have been expected, the great majority of older women had more than 10 years of work experience in private homes. About 80 percent of the women 45 years of age and over, 59 percent of those aged 40 and over, and only 37 percent of those between 25 and 40 had had the equivalent of more than 120 months of paid household employment.

At first glance, these data seem to suggest that if domestic employment were covered by the insurance program the majority of the women interviewed might eventually fulfill the requirement of earnings of \$50 in each of 40 calendar quarters which would give them permanent and fully insured status. But the tendency to shift from full-time to part-time or day work may prevent any such possibility. Only 20 percent of all women interviewed had spent more than 10 years in regular full-time employment; 37 percent had held different types of household jobs for that length of time. Less than 8 percent had worked

⁸ Information on work experience was obtained principally for the 5-year period prior to the interview. Complete histories of women with work experience prior to 1936 were obtained only for 694 women for whom records were available.

as regular day workers for more than 10 years. Although four-fifths of all women interviewed reported some periods of full-time employment during their working lives, more detailed data on the years of employment might disclose periods of partial employment with less than the minimum wages required for a quarter of coverage. The study, therefore, did not yield a conclusive picture regarding the insurability of these workers with more than 10 years of work experience.

Work histories for the period 1936-40 revealed that more than half of the 976 women who were in the labor force in January 1941 had been employed continuously in private homes for a period of 55-60 months (table 4). Moreover, almost three-quarters of the women interviewed had spent more than 30 out of a possible 60 months working for private families. The length of employment experience varied considerably with the worker's age. Of the women aged 45 years and over, 86 percent had spent more than 30 months in household work during this period. This compares with 47 percent for those under 25 years of age.

Only part of the working time of these workers had been spent in full-time jobs. About 37 percent of the women had had full-time employment for more than 30 out of 60 months, the proportion being considerably higher for older women. It seems reasonable to conclude that these women may be able eventually to meet the qualifying requirements of the old-age and survivors insurance system, and it is also possible that women

doing regular day work for more than one employer or working several days per week may acquire sufficient wages to meet these requirements. A detailed analysis of periods of partial employment might, however, disclose a number of workers who worked for only 1 day a week and thus would not earn enough to qualify, even though they were employed in a sufficient number of quarters.

If the present exclusion from coverage of domestic service in private homes were withdrawn, domestic workers might still experience some difficulty in obtaining insured status under the present interpretation of casual labor, which is excluded from coverage under the old-age and survivors insurance program. By ruling,⁹ casual labor is defined as services which are not in the course of the employer's trade or business and which are performed on not more than 10 calendar days within a period of 2 consecutive calendar months. The data did not disclose any considerable amount of casual or temporary day work in private families—that is, periods during which the women did not have regular employment but instead picked up a day's work at their convenience. There is reason to believe, however, that part of the periods of partial employment in regular day work might be excluded as casual labor. Thus, a domestic worker who worked only 1 day a week for each of her employers might be excluded as a casual worker from coverage, unless

⁹A & C Mimeograph Collector No. 5121, rule A, Oct. 12, 1940, Bureau of Internal Revenue.

Table 4.—*Negro women in domestic service in Baltimore: ¹Distribution by number of months in regular employment in private homes and number of months unemployed and seeking work, 1936-40*

Number of months unemployed and seeking work	Number with specified months of employment in regular household jobs												
	Total		None	1-6	7-12	13-18	19-24	25-30	31-36	37-42	43-48	49-54	55-60
	Number	Percent											
Total ¹	975		37	90	63	49	62	67	50	36	45	47	429
Percent of total.....		100.0	3.8	9.2	6.5	5.0	6.4	6.9	5.1	3.7	4.6	4.8	44.0
None.....	792	81.4	29	58	42	31	42	49	35	25	34	35	412
1-6.....	86	8.8	3	13	6	7	13	4	2	6	6	10	16
7-12.....	29	3.0	1	3	7	4	2	0	2	4	3	2	1
13-18.....	18	1.8	1	5	3	0	3	1	3	0	2	0	0
19-24.....	9	.9	0	0	1	1	1	0	5	1	0	0	0
25-30.....	18	1.8	1	4	0	1	0	9	3	0	0	0	0
31-36.....	10	1.0	0	2	1	2	1	4	0	0	0	0	0
37-42.....	4	.4	0	3	0	1	0	0	0	0	0	0	0
43-48.....	5	.5	0	0	3	2	0	0	0	0	0	0	0
49-54.....	1	.1	0	1	0	0	0	0	0	0	0	0	0
55-60.....	3	.3	2	1	0	0	0	0	0	0	0	0	0

¹ See table 1, footnote 1.

² Excludes 1 person for whom period of unemployment was unknown and 117 persons not seeking work at time of interview.

the maintenance of a household were defined for purposes of the Social Security Act as a trade or business.

In this connection, it may be noted that the extent of partial employment was found to be much greater than that of involuntary unemployment. Periods of unemployment of a month or more during which the women were seeking work formed a distinctly minor part of the work experience. Voluntary withdrawals from the labor market were both more frequent and longer.¹⁰ About 18 percent of the women had been unemployed and seeking work for 1 month or more during the period 1936-40; about 30 percent had voluntarily withdrawn from the labor market during the same period.¹¹ For women who had been unemployed at any time during this period, the median length of unemployment while seeking work was 7.8 months, as compared with 15 months for periods of withdrawals from the labor market. These findings, both for the relatively small group of women who had suffered periods of involuntary unemployment and for the larger number of workers who had withdrawn from the labor market, conformed, by and large, to the data obtained in Philadelphia.

Conclusions

Information obtained on the extent to which the Negro domestic workers in the study had acquired any protection under the present old-age and survivors insurance system and on the insurability of the workers covered in the study pointed to problems characteristic of Negroes and of women workers in general.

Insofar as length of employment experience and regularity and continuity of employment are concerned, the study emphasized problems existing to some extent for women workers in general.¹² Frequent withdrawals from the labor market

shorten their work experience in both covered and noncovered industry.¹³ Insofar as there was a problem inherent in the occurrence of periods of partial employment, there is reason to believe that it is primarily a problem of Negro domestic workers, since white women are employed in day work to a much smaller degree.

The wage level of the majority of the women interviewed indicated that, if coverage were extended to household employment, a large part of these women, even if they could otherwise meet the eligibility requirements, would not be entitled to more than the minimum amount of benefits available under the Social Security Act. In this respect their situation is similar to the general situation of Negro workers now in covered employment.¹⁴

Any insurance protection obtained by the Baltimore workers under the present old-age and survivors insurance program was due largely to the insured status of their husbands. An insignificant number of the women interviewed have been able to obtain insured status on the basis of their own earnings in covered employment. This number was far surpassed by that of the women who had accumulated some wage credits from covered employment, but not enough for insured status. In the absence of available data on the extent of movement between covered and noncovered employment on the part of white workers, it is not possible to estimate the effect of racial differences on this problem. The evidence obtained on shifts between domestic service and covered employment suggests that—withstanding the fact that only a part of the Negro women interviewed had had experience in work outside private homes—more of the women might have acquired potential rights to benefits on the basis of their own employment experience if, by abandoning the distinction between covered and noncovered employment, it were possible to treat their employment as an unbroken unity.

¹⁰ Of the women not available for work at time of interview, about two-fifths were not working because of domestic duties, while about one-fourth were out of work because of temporary disability, sickness, or poor health.

¹¹ These figures are based on records of women who were in the labor force when interviewed.

¹² See U. S. Department of Labor, Women's Bureau, *The Woman Worker*, Vol. 21, No. 4 (July 1941), pp. 7-8.

¹³ Palmer, Gladys L., "The Mobility of Weavers in Three Textile Centers," *Quarterly Journal of Economics*, Vol. 55, No. 5 (May 1941), p. 485.

¹⁴ Franklin, Charles L., "Characteristics and Taxable Wages of Negro Workers, 13 Selected Southern States, 1938," *Social Security Bulletin*, Vol. 4, No. 3 (March 1941), pp. 21-31.

Workers With Annual Taxable Wages of Less Than \$200 in 1937-39

WAYNE F. CASKEY*

IN EACH ONE of the years 1937, 1938, and 1939, approximately one-fourth of the workers with wages taxable under the old-age and survivors insurance program received wages of less than \$200 in the year, and approximately one-seventh received less than \$100. The average taxable wages for these two groups in 1939 were \$74 and \$38, respectively. What are the characteristics of these workers, and what is the nature and significance of their work and earnings experience? Data from the tabulations of 1937-39 wage records furnish a partial answer to these questions.

Of the total of 32.8 million persons who earned wages under the old-age insurance program in 1937, 7.1 million or 22 percent received less than \$200.¹ Both the number and proportion increased in 1938, primarily because of the business recession in that year, and amounted to more than 7.8 million workers, or 25 percent of the total of 31.2 million. In 1939, improved business conditions resulted in a slight decrease to 24 percent of the 33.1 million with taxable wages, although the number of these workers was approximately the same as in 1938. Yet only about 2 percent of the total taxable wages in each of the 3 years was credited to these workers.

With nearly one-fourth of the workers with taxable wages in the first 3 years of the program earning less than \$200 a year, the question of their ability to qualify for benefits under the program becomes important. Eligibility for all types of benefits depends both on the total amount of wages received by a worker in covered employment and on their distribution by calendar quarters. To qualify for benefits for himself and his dependents when he reaches age 65, a worker must be fully insured. His survivors are entitled to benefits if, at his death, he was either fully or currently insured. In general, to become fully insured, a worker must have had at least 1 quarter of coverage for each 2 calendar quarters elapsing during his working lifetime. A quarter of cover-

age is a calendar quarter during which a worker received at least \$50 in wages from covered employment. To be currently insured, a worker must have received at least \$50 for each of 6 of the last 12 quarters immediately preceding the quarter in which he died. A minimum of 6 quarters of coverage, however, is required for both fully and currently insured status. When a worker has 40 quarters of coverage he is considered permanently fully insured. It is possible, therefore, to become permanently insured without having been fully or currently insured previously.

Types of Workers Included

Among workers earning less than \$200, several types can be distinguished. The types are not, however, necessarily mutually exclusive. Some represent workers who are in the labor market for only part of the year. They are the new workers entering the labor market with the aim of obtaining permanent employment, those who are interested only in intermittent, casual, or seasonal employment, and those leaving the labor market during the year because of death, disability, marriage, or retirement.

Some workers are in the labor market during the entire year. They consist, in part, of workers who shift during the year between covered employment and noncovered employment, such as agricultural labor or domestic service. There are also workers who obtain only intermittent, casual, or seasonal employment and who are unemployed during the rest of the year. Another sector is made up of low-paid workers, who earn less than \$200 primarily because of low wage rates, but probably also because of less than full-time employment.

The problem of acquiring insured status will vary for each of these groups. The new workers can be expected to have an employment and earnings experience over a period of time which will enable them to acquire fully insured status and protection for themselves and their dependents or survivors. Whether or not workers who leave covered employment during the year will have acquired insurance protection will depend on the

* Bureau of Old-Age and Survivors Insurance, Analysis Division.

¹ Figures in the text on the number earning less than \$200 are slightly larger than in the tables, because they include workers whose sex, race, and/or age were unknown or who held railroad retirement account numbers.

amount and distribution of their complete covered employment and earnings experience in relation to the requirements for insured status. Students, for example, can be expected to obtain insurance protection as they become permanently employed. Married women, however, whose employment may continue to be casual or incidental may never qualify for benefits on the basis of their own wage records. Some of them, undoubtedly, will obtain insurance protection on the basis of their husbands' wage records.

Workers in the labor market throughout the year who move into and out of covered employment, represented primarily by workers in agriculture and domestic service, may not be able to obtain insurance protection, since only part of their total earnings are counted toward benefits. In the same way, workers who continue to earn less than \$200 because of intermittent, casual, or seasonal employment are least likely to be insured at death or at retirement, although some will obtain 40 quarters of coverage over a period of time and thus be permanently fully insured. A fraction of those who die prior to attaining permanently insured status may be currently insured and thus obtain protection for their survivors. Wage earners who receive less than \$200, primarily because of low wage rates, will, in large part, obtain insurance protection unless their employment and earnings experience becomes discontinuous. They will be eligible at best, however, for benefits only at minimum amounts.

Continuity of Employment

Although complete data on the characteristics of these fairly distinct types of workers with small earnings are not available, certain information on the continuity of employment and earnings is available for several types. For any one year, workers earning less than \$200 may be classified according to the wages received in the preceding or following year, i. e., those whose records show no wages, earnings of approximately the same amount, or higher wages. Such data were obtained from a sample of workers with wages of less than \$200 in at least one year during 1937-39.

The first group comprises those who earned less than \$200 under the program in 2 consecutive years. This group constituted approximately one-third of all workers earning under \$200 during the 1937-39 period (table 1). This proportion, of

Table 1.—Old-age and survivors insurance: Percentage distribution of workers with taxable wages of less than \$200 and less than \$100 in a specified year, by wage group in previous or following year, 1937-39¹

Wage group and year	Percentage distribution of workers with taxable wages of—	
	Less than \$200	Less than \$100
Wages of specified amount in 1938 and.....	100	100
No wages in 1937.....	38	44
Same wage group in 1937.....	32	23
Higher wage group in 1937.....	30	33
Wages of specified amount in 1939 and.....	100	100
No wages in 1938.....	47	52
Same wage group in 1938.....	36	27
Higher wage group in 1938.....	17	21
Wages of specified amount in 1937 and.....	100	100
No wages in 1938.....	46	52
Same wage group in 1938.....	36	26
Higher wage group in 1938.....	18	22
Wages of specified amount in 1938 and.....	100	100
No wages in 1939.....	35	42
Same wage group in 1939.....	36	27
Higher wage group in 1939.....	29	31

¹ Based on sample of 48,000 workers with taxable wages of less than \$200 in at least 1 year of 1937-39 period.

course, would undoubtedly be much lower over a period of years than it is for 2 consecutive years. This group consists in large part of married women and students; it also includes workers who year after year shift between noncovered and covered employment, as well as those who are able to obtain only casual, intermittent, or seasonal employment, usually at low wage rates.

The second group, new workers and workers reentering employment after at least a year's absence, i. e., those who had no wages in 1937 but had wages in 1938, constituted 38 percent of all workers who earned under \$200 in 1938 (table 1). In 1939, workers who had no wages in 1938 represented a larger proportion of the under-\$200 group. This change probably resulted from better job opportunities for all workers. This group is composed in large part of young workers who entered the labor market for the first time, although it also includes individuals who were formerly in domestic or agricultural service as well as older workers who had been unemployed.

The third group is made up of workers who were credited with more than \$200 in the preceding year. In 1938, 30 percent of the workers earning less than \$200 had earned more than this amount in the preceding year. In 1939, this proportion was only 17 percent of the total earning under \$200 (table 1). Decline in general business activity is an important determinant of the proportion (table 2) and number of workers who, though earn-

Table 2.—Old-age and survivors insurance: Percentage distribution of workers with taxable wages of less than \$200 in a specified year and with higher wages in previous or following year, 1937-39¹

Wage group and year	Percentage distribution of workers by wage group in previous or following year—					
	Total	\$200-399	\$400-599	\$600-999	\$1,000-1,999	\$2,000 or more
Wages of less than \$200 in 1938 and higher wages in 1937.....	100	40	23	23	13	1
Wages of less than \$200 in 1939 and higher wages in 1938.....	100	50	22	20	7	1
Wages of less than \$200 in 1937 and higher wages in 1938.....	100	54	24	17	4	1
Wages of less than \$200 in 1938 and higher wages in 1939.....	100	46	26	21	6	1

¹ See table 1, footnote 1.

ing more in preceding years, failed to earn \$200 in a given year. Ill health, disability, retirement from the labor market, shifts to noncovered employment, or obsolescence of a particular skill during the year are other factors which would cause declines in annual income.

The fourth group are those who received no wages in the succeeding year. Of those who earned less than \$200 in 1937, 46 percent did not work in 1938; of those who were found in that interval in 1938, 35 percent did not work in 1939. It is believed, however, that a considerable number of those who worked in 1937 but not in 1938 obtained employment in 1939.

The last group are those who earned more than \$200 in the following year (table 1). These are mainly new workers whose wages in their first year of work were low. The influence of business conditions is very pronounced with respect to the number of these workers as well as the extent of increase in their earnings. This is indicated by the greater increase in their earnings (table 2) as well as the larger number in 1939 than in 1938.

The intermittent, casual, and seasonal nature of the employment of these workers is indicated by the fact that, for any given year, from 70 to more than 80 percent showed earnings of under \$200 in 2 consecutive years or no earnings at all in the following year. The large proportion earning low wages and the relatively small number of quarters during the year in which these workers were employed give further proof of the transitory character of their employment. Approximately 45 percent of this group earned less than \$50, and more than 65 percent earned less than \$100 during

1939. Of the group of workers who showed earnings in 1 year but none in the succeeding year, about three-fourths reported less than \$100 in the year in which they had any credited wages. This finding is to be expected, since those who earn annually under \$100 represent, to an even greater degree, workers who obtain only occasional employment.

In 1938, more than half the workers earning under \$200 worked in 1 quarter only (table 3) while 62 percent of those who earned under \$100 worked in 1 quarter only.² A further indication of the highly intermittent and seasonal character of the employment of the low-wage earners may be found in the comparison of the quarterly distribution of their earnings with those of workers receiving \$200 or more. Whereas 80 percent of the workers who earned less than \$200 in 1938 worked in 2 quarters or less, only 10 percent of the workers earning \$200 or more had the same employment experience.

Race, Sex, and Age Characteristics

Proportionately, nearly twice as many Negro as white workers earned under \$200 in taxable wages in 1937 and 1939.³ Of the total of 29.9 million white workers who received wages in 1939, 6.7 million or 22 percent earned less than \$200. On

² A small proportion of these workers were probably new workers who entered covered employment in the fourth quarter of 1938.

³ 1938 data available by race only for 13 States. See Franklin, Charles L., "Characteristics and Taxable Wages of Negro Workers, 13 Selected Southern States, 1938," *Social Security Bulletin*, Vol. 4, No. 3 (March 1941), pp. 21-31.

Table 3.—Old-age and survivors insurance: Percentage distribution of workers with taxable wages of less than \$200, and percent which these workers are of all workers, by number of quarters in which wages were received and by sex, 1938¹

Number of quarters	Percentage distribution			As percent of workers in specified group		
	Total	Male	Female	Total	Male	Female
Number of workers.....	7,705,324	4,811,660	2,893,664			
Total.....	100.0	100.0	100.0	24.9	21.6	33.3
1 quarter.....	50.6	51.8	48.8	89.7	86.9	95.1
2 quarters.....	30.0	29.8	30.2	55.2	50.0	66.5
3 quarters.....	12.3	11.8	13.0	20.9	17.6	29.1
4 quarters.....	7.1	6.6	8.0	3.1	2.4	5.0

¹ Based on 1938 employee data; see *Old-Age and Survivors Insurance Statistics, 1938, 1940*.

the other hand, there were 42 percent of the Negroes in this low-wage interval, or 925,000 of the 2.2 million Negroes (table 4).

Women workers were also in a much less favored position than men. Over 30 percent of all women workers earned under \$200 in each year during the 1937-39 period compared with approximately 20 percent of the men (table 3). A much larger proportion of women than men worked in only 1, 2, or 3 quarters during 1938. Sex differences in the proportion who earned under \$200 annually were fairly constant during the 1937-39 period (table 4).

During each of the 3 years a large fraction of those earning under \$200—about 45 percent—were less than 25 years old (table 5), but the proportion decreased in 1938 from 1937. The decrease is largely due to contraction of job opportunities during 1938 when younger workers desired to enter the labor market. This decline would have been greater if wages of the younger workers had not decreased in 1938 proportionately more than those of the older workers, with the result that a greater proportion of workers under 25 years of age who had been earning more than \$200 failed to earn as much as \$200.

In 1939, a greater proportion of the workers in each age group under age 30 than in the older age groups earned less than \$200 (chart 1). In the older age groups beginning with 45 there was a tendency for the proportion of low-paid workers to increase. In the same year, 18 percent of the 800,000 workers in the age group 60-64 earned less than \$200. More of these than of young workers

Table 5.—Old-age and survivors insurance: Percentage distribution of workers with taxable wages of less than \$200, and percent which these workers are of all workers, by age group, 1937-39¹

Age group (years)	Percentage distribution ¹			As percent of workers in specified group		
	1937	1938	1939	1937	1938	1939
Number of workers earning less than \$200	6,739,521	7,655,350	7,570,388			
All ages	100.0	100.0	100.0	21.0	24.8	23.6
Under 25	48.1	45.1	45.6	34.9	41.6	40.1
25-44	37.4	39.6	38.7	15.5	18.9	18.0
45 and over	14.5	15.3	15.7	14.9	17.8	16.7

¹ See table 4, footnote 1. Data also exclude workers of unknown age.

drop out of covered employment each year, and their earnings show a greater inclination to decline to less than \$200 from one year to the next. In fact, the decline in 1938 was 50 percent greater for the older wage earners than for all workers, and in 1939 it was 75 percent greater. As might be expected, a much smaller proportion of workers aged 60-64 who earn under \$200 in any one year gain wage credits of more than \$200 in the following year.

Geographic and Industrial Characteristics

In the more industrialized States, where average annual taxable wages are comparatively high, a relatively small proportion of the total workers earned under \$200 (chart 2). In 9 States of the industrial North, East, and Middle West in which the proportion of total workers earning under \$200 was less than 20 percent, average annual taxable

Table 4.—Old-age and survivors insurance: Number and percentage distribution of workers with taxable wages of less than \$200 and percent which these workers are of all workers, by sex and race, 1937-39¹

Sex and race ²	Number of workers			Percentage distribution			As percent of workers in specified group		
	1937	1938	1939	1937	1938	1939	1937	1938	1939
Total	7,039,082	7,705,324	7,595,823	100.0	100.0	100.0	21.7	24.9	23.7
White	6,138,978	(³)	6,671,033	87.2	(³)	87.8	20.3	(³)	22.4
Negro	900,104	(³)	924,790	12.8	(³)	12.2	40.2	(³)	41.5
Male	4,343,151	4,811,660	4,740,729	61.3	62.4	62.4	18.5	21.6	20.6
White	3,612,400	(³)	4,008,187	51.3	(³)	52.8	16.8	(³)	18.9
Negro	700,751	(³)	732,542	10.0	(³)	9.6	37.6	(³)	39.5
Female	2,725,931	2,893,664	2,855,094	38.7	37.6	37.6	30.0	33.3	31.7
White	2,526,578	(³)	2,662,846	35.9	(³)	35.1	29.1	(³)	30.8
Negro	199,353	(³)	192,248	2.8	(³)	2.5	52.9	(³)	51.8

¹ Based on data which excludes workers holding railroad retirement account numbers and workers whose sex and/or race is unknown. Data for 1939 are not fully comparable with those for 1937 and 1938 because they include only 97.2 percent of estimated total number of workers. For statement

of method by which 1939 data were derived, see the Bulletin, April 1941, pp. 3-4.

² White includes all races other than Negro.

³ Not available.

wages ranged from \$840 to \$1,048. On the other hand, in the agricultural South and West, where there is more seasonal and intermittent work and where wage rates are lower, a large percentage of employees have only small amounts posted to their accounts. In 26 States in these areas, 30-50 percent of all workers earned under \$200, while the average annual taxable wage ranged from \$435 to \$786. It should be pointed out, however, that, although the proportions of workers with low earnings are highest in States in the agricultural South and West, the States of New York, Pennsylvania, and California each had larger absolute numbers of persons earning under \$200 than any other State and together accounted for 23 percent of the total for the entire country.

In every State, furthermore, proportionately more women than men and in all but three States more Negro than white workers earned less than \$200 in 1939. For women, these proportions ranged from 20 percent in Connecticut to 55 percent in Arkansas, while for men they ranged from 12 percent in Connecticut to 46 percent in Mississippi. Negro workers earning under \$200 in 1939 varied from 19 percent of all Negroes in West Virginia to 59 percent in Delaware. For white workers, the range was from 14 percent in Connecticut to 42 percent in Arkansas.

Industry differences are important in studying the characteristics of the low-paid worker. Variations by type of industry are pronounced and definite. For example, in the highly seasonal construction industry, 37 percent of all workers earned less than \$200 in 1939 (table 6). This proportion was even higher in the division of general contracting other than building construction, amounting to 48 percent of all the workers so employed in 1939. The trade and service industries are also examples of activities in which workers experience a wide seasonal variation in employment. In retail general merchandise, a division of the trade industry group, the majority of all workers earned under \$200 and their average annual taxable wage amounted to only \$49.

Industries which employed the largest proportion of workers earning under \$200 also had the largest proportion of workers earning wages in 2 quarters or less. All the industries having a high proportion of workers earning under \$200, except the construction industry, normally attract many women workers during certain seasons of

the year. These industries, moreover, engage a large proportion of workers who have never previously been employed. As a result, the percentage who work 2 quarters or less per year as well as those who earn under \$200 is increased.

The number and proportion of low-wage earners varies considerably according to sex and race within each industry. Proportionately more white men earned under \$200 in 1939 in construction, trade, and service (table 6) than in the other industries; the largest number, however, was found in manufacturing (table 7). Although the highest proportions of Negro men were also

Chart 1.—Old-age and survivors insurance: Percent of workers in each age group with taxable wages of less than \$200, by sex and race, 1939

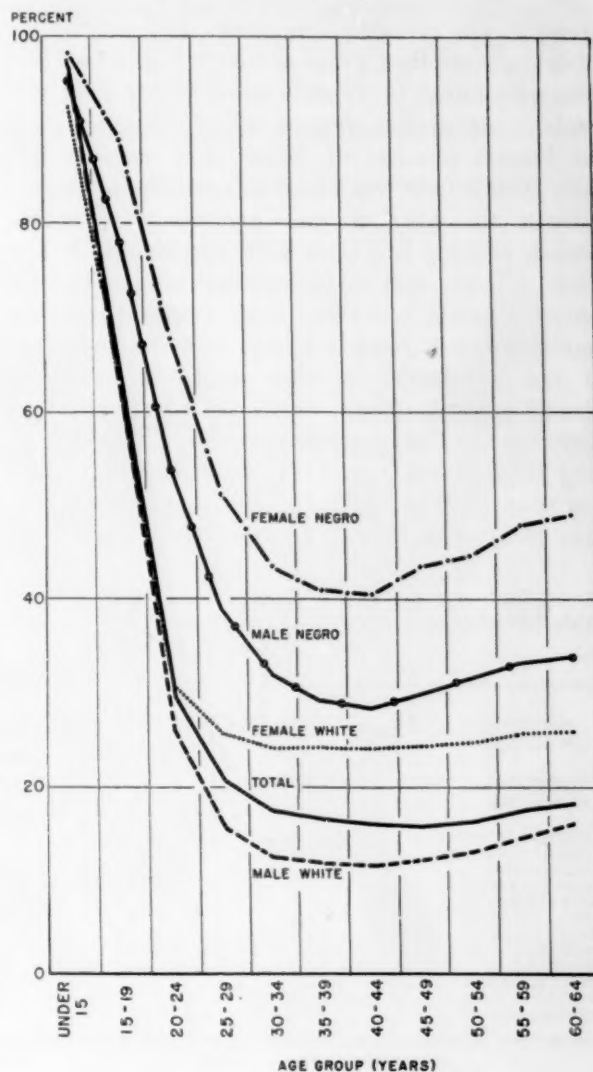


Table 6.—Old-age and survivors insurance: Percent which workers with taxable wages of less than \$200 are of all workers, by major industry group, sex, and race, 1939¹

Major industry group	As percent of workers in specified group								
	Total			Male			Female		
	All races	White	Negro	All races	White	Negro	All races	White	Negro
All industries ²	24	22	42	21	19	40	32	31	52
Mining and quarrying.....	16	15	24	16	15	24	23	22	42
Contract construction.....	37	34	59	37	34	59	26	25	67
Manufacturing.....	17	16	32	13	12	29	25	25	49
Transportation.....	21	18	43	21	18	43	25	24	66
Public utilities.....	15	14	38	17	16	37	11	11	61
Trade.....	31	30	48	25	23	44	43	43	65
Finance.....	12	11	40	10	9	39	15	15	46
Insurance.....	11	10	31	11	10	27	12	11	40
Real estate.....	21	20	33	21	19	31	23	21	41
Holding companies.....	15	15	25	14	14	27	20	20	18
Service.....	33	31	43	29	28	41	38	37	47
Professional services.....	22	21	43	22	20	39	22	21	47

¹ See table 4, footnotes 1 and 2.

² Includes workers in miscellaneous and unclassified industries.

found in the construction, trade, and service industries, more than twice as many Negro as white men were found in transportation (other than railroads). As in the case of white men, however, the largest number of Negro men earning less than \$200 a year was found in manufacturing.

Both the number and percentage of white women earning less than \$200 are highest in the trade, service, and manufacturing industries. In manufacturing, one-third were employed in the manufacture of food, a highly seasonal industry. In trade, two-thirds were employed in retail general merchandising, which has a wide seasonal variation in labor requirements. Although a very large proportion of the Negro women earned less than \$200 in 1939, the group comprised less than 200,000 workers. Most of them worked in

the service, manufacturing, and trade industries, in which many of the workers earned under \$200 annually. More than one-half of the Negro women engaged in manufacturing in 1939 were in food manufacturing, a much higher proportion than for white women.

Conclusions

Because of their heterogeneous composition and shifting nature, the large number of workers who earn less than \$200 each year does not, of itself, indicate that any significant proportion of all covered workers will necessarily be excluded from benefits, or that these workers will necessarily be eligible only for the minimum benefits.

Those earning under \$200 in a given year who

Table 7.—Old-age and survivors insurance: Percentage distribution of workers with taxable wages of less than \$200, by major industry group, according to sex and race, 1939¹

Major industry group	Total			Male			Female		
	All races	White	Negro	All races	White	Negro	All races	White	Negro
Total ²	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Mining and quarrying.....	2.3	2.4	1.6	3.6	3.9	2.1	.2	.2	.1
Contract construction.....	9.9	9.3	14.5	15.8	15.3	18.3	.4	.4	.3
Manufacturing.....	29.4	29.9	26.0	27.5	27.6	26.0	32.8	33.3	26.0
Transportation.....	2.9	2.6	5.2	4.3	4.0	6.4	.6	.6	.8
Public utilities.....	2.0	2.1	1.0	2.4	2.7	1.2	1.2	1.3	.4
Trade.....	30.5	31.2	24.0	25.4	25.8	23.5	38.5	39.4	25.9
Finance.....	.4	.5	.3	.4	.4	.3	.5	.5	.2
Insurance.....	.7	.7	.6	.6	.6	.5	.8	.8	1.1
Real estate.....	1.5	1.3	2.3	1.6	1.5	2.1	1.1	1.0	2.7
Holding companies.....	.4	.5	.1	.5	.6	.1	.3	.3	.1
Service.....	18.9	18.3	23.5	17.3	17.0	19.0	21.6	20.2	40.2
Professional services.....	1.1	1.2	.9	.6	.6	.5	2.0	2.0	2.2

¹ See table 4, footnotes 1 and 2.

² Excludes workers in miscellaneous and unclassified industries.

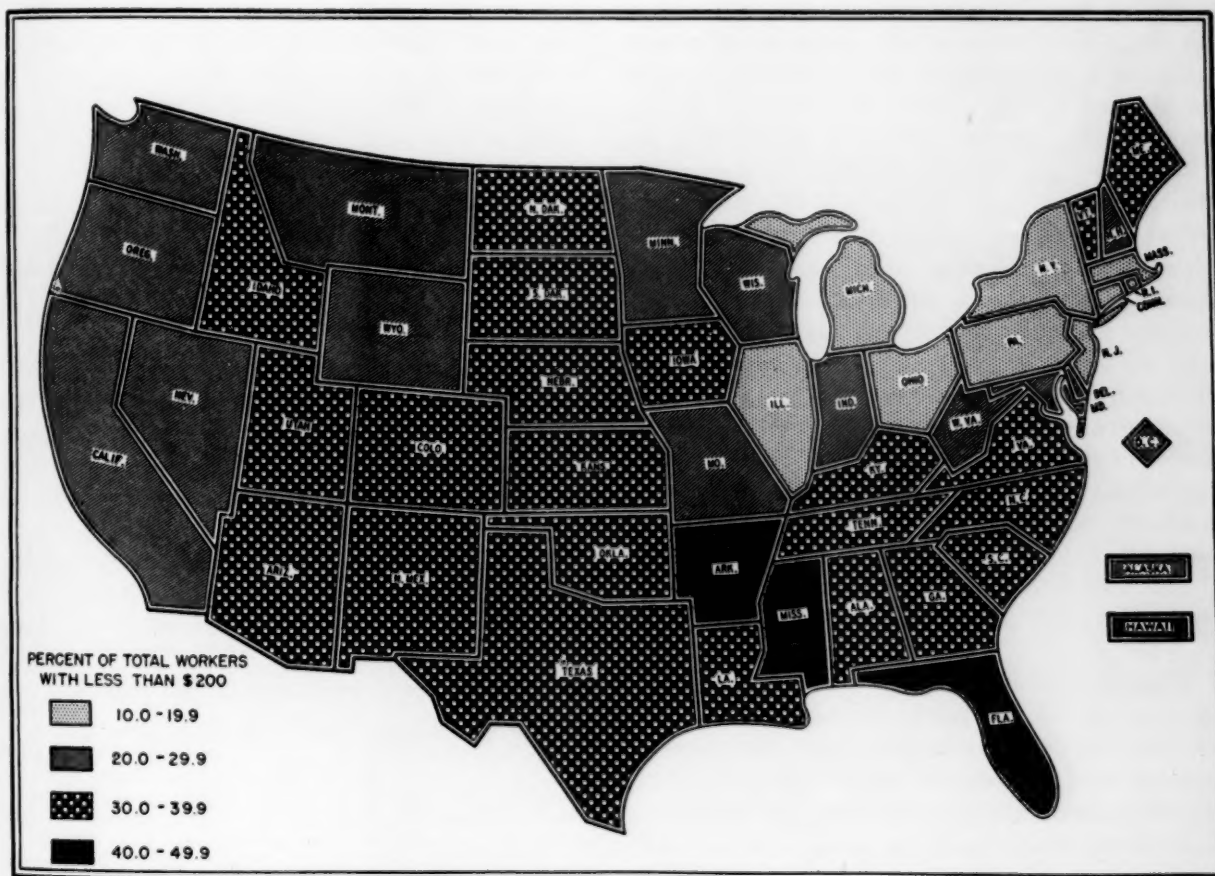
earned no wages in the preceding year and higher wages in the following year are to a large extent younger workers just entering the labor market. They can be expected to acquire fully or currently insured status as they obtain more steady employment under the program.

The workers who earn less than \$200 year after year will comprise only a relatively small proportion of the workers who earn under \$200 in any one year and are the least likely to be insured. Their significance in terms of insurance rights, moreover, is less than their proportion would indicate. The group composed in part of married women who have insurance protection on the basis of their husbands' wage records contains, as well, individuals whom the qualifying requirements eliminate from insurance protection, namely, those workers whose earnings in covered employment are only of an incidental nature.

Persons earning less than \$200 in covered employment in one year who are out of covered employment in the following year may not gain insurance rights under the present requirements. There will always be some individuals who will not receive insurance benefits, since their participation in covered employment is so small and of such a discontinuous nature. Workers who earn under \$200 in one year but who formerly earned more will probably not lose their insurance protection. The mere fact that they earn under \$200 in any one year may have little effect on their insurance status or the size of their benefits.

The group of workers earning under \$200 in 1939 contained a high proportion of young workers and relatively more Negro than white workers and more women than men. These Negroes and white women are in a considerably less favorable situation than are white men. A much larger

Chart 2.—Old-age and survivors insurance: Percent of workers with taxable wages of less than \$200, by State, 1939



percentage of all workers in the predominantly agricultural States of the South and West, furthermore, were in this group. Extension of coverage to agricultural and domestic workers would make it possible for many of these workers to qualify for benefits.

The widely varying percentages of workers earning less than \$200 a year in the various industries indicate that workers in some industries have a better chance of attaining insurance protection than workers who continue over a period of years to be attached to other industries. Workers, however, who now obtain only seasonal and intermittent employment often improve their chances of attaining insured status by shifting to a permanent employment status in some covered

industry. Moreover, some workers may attain insured status by getting steady employment in the same industry.

Because of the highly changing nature of the work and earnings experience of low-paid wage earners over a period of years, it is not possible to draw definite conclusions from the limited data available at present as to their ability to obtain insurance protection. Insurance protection at any one time, furthermore, is of much more value to workers who are primarily responsible for the support of the family than it is to workers who only supplement the family income. This latter group, namely, young adults and married women, comprises a large part of all workers who earn less than \$200 a year.

Experience-Rating Operations in 1941

A Preliminary Survey *

PRELIMINARY DATA reported by 8 of the 17 States where experience-rating provisions are effective in the calendar year 1941 indicate that 60 percent of all employers eligible for rate modification obtained rate reductions, while contribution rates in excess of 2.7 were assigned to 19 percent. Such "penalty" rates, however, were assigned in only 3 of the 8 States under consideration. These 8 States reported average monthly employment of 2.5 million in 1939, or 12 percent of the total for the United States. They also represent 46 percent of the average monthly employment in the 17 States with experience rating in operation during the current year. It is estimated that the rate variations assigned employers will reduce the yield to the 8 State funds by about one-third from that which would be collected from a uniform 2.7-percent contribution rate.

Although experience-rating provisions have been incorporated in 38 State laws, varied contribution rates under only 17 laws¹ are effective this year; in only 4 States² had modified rates been in effect in 1940. In 3 States, rate modifications became effective on April 1, and in 1 State on July 1; modified rates were effective in all the other 13 States as of January 1.³

Variations in Employers' Rates

Not all employers in the States were eligible for rate modification, since under pooled-fund laws employers must have had at least 3 years' experience with the risk of unemployment, and under employer-reserve laws at least 1 year's experience (chart 1). About 22,000 of the 83,000 employer accounts were ineligible for rate modification, and

all these employers continued to pay the standard rate of 2.7 percent; of the 60,000 accounts which were rated, 60 percent received reduced rates, 19 percent received rates in excess of 2.7, and 21 percent continued to pay the 2.7 rate (table 1). In only three⁴ of the eight States does the law provide for penalty rates.

The rate structure of the State laws has had an important bearing on the rates assigned employers. In Minnesota and Texas, no rated employer received a contribution rate of 2.7, because the rate schedules in the State statutes do not contain such an assigned rate. Only in Minnesota were penalty rates assigned to a substantial proportion of employers (40 percent), because the law provides for an array of employers around the 2-percent rate, with rates in excess of 2 percent assigned to the same amount of pay roll as receives lower rates. At least one-fifth of all employers eligible for rate modification in six States obtained rates of less than 1 percent, and in one of these States, Nebraska, 45 percent of the employers obtained these low rates.

Although the minimum and maximum rates assigned vary considerably among the various States, the contribution rates of a fairly large proportion of all employers in some of the States tended to be concentrated at either the minimum or maximum rate, while in others there were concentrations at both the minimum and maximum. In both Minnesota and Nebraska, between 34 and 45 percent of all rated accounts obtained the minimum rate of 0.5 and approximately similar proportions of employers received the maximum rates of 3.25 and 2.7, respectively; in Wisconsin 24 percent and in Texas 30 percent obtained the minimum rates of zero and 0.5, respectively (table 1).

In most of the States with no provision for contribution rates in excess of 2.7 percent, employers' rates were concentrated at the maximum rate. In four⁵ of the five States where the maximum contribution rate is 2.7 percent, from one-half to two-thirds of all accounts received the

* Prepared in the Research and Statistics Division, Bureau of Employment Security. This analysis does not deal with the factors responsible for rate modifications in the several States in which experience rating was in operation or with the distribution of modified rates by industry or size of firm. A discussion of these topics will be presented in a subsequent issue of the Bulletin.

¹ Alabama, California, Connecticut, Hawaii, Indiana, Kansas, Kentucky, Minnesota, Nebraska, New Hampshire, Oregon, South Dakota, Texas, Vermont, Virginia, West Virginia, and Wisconsin.

² Indiana, Nebraska, South Dakota, and Wisconsin. In Indiana and South Dakota, modified rates were applied to very few employers in 1940.

³ The effective date for rate modification was changed by amendments adopted during the 1941 legislative sessions in Connecticut, Hawaii, and Kansas, while in California, Indiana, Texas, and West Virginia other statutory provisions affecting rate modifications were also amended.

⁴ Minnesota, Texas, and Wisconsin.

⁵ Indiana, Nebraska, New Hampshire, and Vermont.

2.7-percent rate; only one-fifth of the rated accounts in the fifth State⁶ received this rate.

In two of the three States providing for penalty rates, the proportion of employers receiving such rates is far smaller than the proportion with reduced rates. While only 19 percent of all rated accounts in Texas and 9 percent of those in Wisconsin received contribution rates in excess of 2.7, the proportion of accounts receiving reduced contribution rates was from three to four times greater.

The tendency of experience-rating formulas to produce a greater proportion of reduced than increased contribution rates is further illustrated when attention is given to the proportion of accounts to which reduced rates are assigned. In Wisconsin, for example, 65 percent of all rated accounts obtained rates of 1 percent or less. In Alabama and Texas the fact that more than 60 percent of all rated accounts received contribution rates of less than 2 percent is probably ac-

⁶ Alabama.

counted for by the low benefit expenditures in 1939-40, coupled with the fact that the rate structure is designed to replenish the fund for average annual benefit expenditures.

Effect of Modified Rates Upon Yield

The assignment of reduced contribution rates to a larger proportion of employers and of the taxable pay roll than is subject to penalty rates will reduce the yield to the 8 State funds to two-thirds of that which would be obtained from a 2.7-percent contribution rate if the distribution of 1941 pay roll by contribution rates is the same as in 1940. The degree of reduction will vary considerably, from State to State, depending on the rate structure in the State's law and also on employment conditions. Rising pay rolls in 1941 as a result of the defense program will somewhat obscure the effects of experience rating upon the yield to State funds, since expanding employment and pay rolls will provide additional revenues to the State

Chart 1.—Significant experience-rating provisions of unemployment compensation laws of eight selected States, 1941

State	Effective date	Type of fund	Re- quired years of ex- perience with unem- ployment risk	Index of experience with unem- ployment risk	Employer charged for compensable unemployment	Method of rate computation	Contribution rate	
							Mini- mum	Maxi- mum
Alabama.....	April 1941.....	Pooled.....	3	Benefit wages for past 3 years di- vided by pay roll for same period.	All base-period em- ployers in propor- tion to wages.	Benefit-wage ratio correlated with State experience factor.	0.5	2.7
Indiana.....	January 1940..	Combined em- ployer-reserve and pooled.	1	5/6 of 1936-38 contributions plus 95 percent of 1939-40 contribu- tions minus all past benefits divided by average 3-year pay roll.	Base-period employ- ers in inverse or- der.	Schedule of reserve ratios.	.135	2.7
Minnesota.....	January 1941..	Pooled.....	3	Benefit wages for past 3 years di- vided by pay roll for same period.	All base-period em- ployers in propor- tion to wages.	Benefit-wage ratio correlated with State experience factor.	.5	3.25
Nebraska.....	January 1940..	Employer-re- serve.....	1	Cumulative contributions minus cumulative benefits divided by pay roll. ¹	Base-period employ- ers in inverse or- der.	Schedule of reserve ratios. ²	1.5	2.7
New Hampshire.	January 1941..	Pooled.....	3	All past contributions minus all past benefits divided by higher of past 3 or 5 years' pay roll.	Most recent em- ployer.	Schedule of reserve ratios.	.5	2.7
Texas.....	January 1941..	Pooled.....	3	Benefit wages for past 3 years di- vided by pay roll for same period.	All base-period em- ployers in propor- tion to wages.	Benefit-wage ratio correlated with State experience factor.	.5	4.0
Vermont.....	January 1941..	Combined em- ployer-reserve and pooled.	3	Benefits for preceding 3 years ⁴ di- vided by pay roll for same period.	Base-period employ- ers in inverse or- der.	Schedule of benefit ratios.	.54	2.7
Wisconsin.....	January 1938..	Employer - re- serve.	1	All past contributions minus all past benefits divided by higher of last year's or average 3-year pay roll. ³	Most recent em- ployers in inverse order.	Schedule of reserve ratios.	0	4.0

¹ 3.7-percent rate postponed by State legislation until 1943.

² Index of unemployment experience and rate schedule for 1941 established by agency regulation.

³ Statute permits zero minimum; 0.5-percent minimum for 1941 established by agency regulation.

⁴ Computation of 1941 index established by agency regulation.

⁵ Or 60 percent of largest pay roll for preceding 3 years.

funds. For this reason, comparisons of yield during the current year with 1940 collections will not be as revealing as comparisons of current yield with that which would have been obtained this year under a uniform 2.7 contribution rate. The latter comparison will have to await the accumulation of data on 1941 employment and pay rolls in order to ascertain the relative trends in pay rolls among the employers assigned given rates of contributions.

For the eight States under consideration, it is estimated that the yield during 1941 will be reduced below 2.0 percent of pay rolls in Nebraska, Texas, and Wisconsin; to 2.0 percent in Alabama; to 2.1 percent in Minnesota; and in Indiana, New Hampshire, and Vermont to 2.3, 2.5, and 2.4 percent, respectively (table 2). In Wisconsin and Nebraska, where experience rating was also operative last year, the estimated average yield of 1.4 percent of pay rolls for this year will represent declines of 13 and 26 percent, respectively, from 1940 levels. The 1.5-percent average rate in Texas represents a decline of 44 percent from the yield obtained in 1940. Although Indiana also had experience rating in effect last year, there was practically no reduction in the yield to the fund

then because few employers were eligible for reduced rates; this year it is estimated that the yield will be reduced to 2.3 percent of pay rolls.

About 25 percent of the pay rolls of all rated accounts in Wisconsin are exempt from contributions during 1941, while an additional 42 percent are taxed at only the 1-percent rate. About 54 percent of the pay rolls in Nebraska and 37 percent in Texas are being taxed at less than 1 percent.

In contrast, only about 6 percent of the State's pay roll is subject to contribution rates in excess of 2.7 percent in Wisconsin, while 11 percent of the pay roll in Texas and 30 percent in Minnesota are subject to penalty rates. In general, a greater proportion of larger firms tend to obtain reduced contribution rates than their proportionate representation in the State.

About 22,000, or one-fourth of all active accounts, did not receive modified rates, because their experience with the risk of unemployment was too short to make them eligible for rate modifications. That these accounts were of relatively small size is apparent from the fact that they represented only 7.7 percent of the aggregate 1940 pay roll of all these States, as compared with 27

Table 1.—Distribution of experience-rating accounts in eight selected States, by 1941 contribution rate

State	All accounts	Total unrated	Experience-rating accounts							
			Total	1941 contribution rate						
				0.0	0.135-0.9	1.0-1.8	1.9-2.6	2.7	2.75-3.6	3.7-4.0
Number										
Total	82,614	22,115	60,499	2,302	15,319	13,627	5,363	12,433	9,835	1,620
Alabama	5,334	2,169	3,165	.....	686	1,239	589	651	.....	.....
Indiana	10,628	1,716	8,912	.....	1,851	1,415	.....	5,646	.....	.....
Minnesota	28,826	7,777	21,049	.....	8,139	2,543	1,860	.....	8,507	.....
Nebraska	3,547	389	3,158	.....	1,424	198	13	1,523	.....	.....
New Hampshire	3,916	1,182	2,734	.....	.....	177	1,094	1,463	.....	.....
Texas	16,871	6,013	10,858	.....	3,219	3,766	1,782	.....	827	1,264
Vermont	1,597	615	982	.....	.....	317	25	640	.....	.....
Wisconsin	11,895	2,254	9,641	2,302	.....	3,972	.....	2,510	501	356
Percentage distribution										
Total	100.0	26.8	100.0	3.8	25.3	22.5	8.9	20.5	16.3	2.7
Alabama	100.0	40.7	100.0	.....	21.7	39.1	18.6	20.6	.....	.....
Indiana	100.0	16.1	100.0	.....	20.8	15.9	.....	63.3	.....	.....
Minnesota	100.0	27.0	100.0	.....	38.7	12.1	8.8	.....	40.4	.....
Nebraska	100.0	11.0	100.0	.....	45.1	6.3	4	48.2	.....	.....
New Hampshire	100.0	30.2	100.0	.....	.....	6.5	40.0	53.5	.....	.....
Texas	100.0	35.6	100.0	.....	29.7	34.7	16.4	.....	7.6	11.6
Vermont	100.0	38.5	100.0	.....	.....	32.3	2.5	65.2	.....	.....
Wisconsin	100.0	18.9	100.0	23.9	.....	41.2	.....	26.0	5.2	3.7

percent of all employers (tables 1 and 2). Such unrated accounts varied from 11 percent of all accounts in Nebraska to 41 percent in Alabama and from 2.8 percent of all pay rolls in Wisconsin to 13 percent in Texas.

The variation in the relative number of unrated accounts may be attributed in part to the differences in the coverage provisions of the State laws. States with more inclusive coverage provisions had large numbers of unrated accounts, because many newly established small firms were subject to their laws. In Minnesota, for example, which covers employers of one or more (in cities of 10,000 and over), more than one-fourth of all accounts

were unrated, while in New Hampshire, with four-or-more coverage, between one-fourth and one-third of the accounts were unrated. In part, too, the number of unrated accounts depended upon whether or not employers were required to have 1 or 3 years of experience under State unemployment compensation laws in order to be rated. Thus, the large numbers of unrated accounts in Alabama, Texas, and Vermont may be attributed to the fact that 3 years of experience was a prerequisite; conversely, the relatively small number in Nebraska may be attributed to the requirement of 1 year's experience as a condition for the assignment of modified rates.

Table 2.—Distribution of 1940 pay rolls in eight selected States,¹ by 1941 contribution rate

State	Estimated average 1941 employer contribution rate	1940 taxable pay roll	Total unrated pay roll	1940 pay rolls of employers eligible for rate modification									
				Total	1941 contribution rate								
					0.0	0.135-0.9	1.0-1.8	1.9-2.6	Total below 2.7	2.7	Total above 2.7	2.75-3.6	3.7-4.0
Amount (in thousands)													
Total	2.0	\$3,242,602	\$248,434	\$2,994,168	\$156,086	\$521,930	\$902,004	\$306,157	\$1,886,177	\$881,023	\$226,968	\$167,927	\$50,041
Alabama ¹	1.8	267,967	23,438	244,529	-----	30,378	78,481	88,447	197,306	47,223	-----	-----	-----
Indiana	2.3	814,737	28,172	786,565	-----	118,005	128,894	-----	246,989	539,576	-----	-----	-----
Minnesota	2.1	454,771	55,885	398,886	-----	61,301	122,654	94,072	278,027	-----	120,859	120,859	-----
Nebraska	1.4	117,905	4,564	113,341	-----	61,506	16,120	739	78,365	34,976	-----	-----	-----
New Hampshire	2.5	108,215	12,654	95,561	-----	-----	3,772	40,294	44,066	51,495	-----	-----	-----
Texas	1.5	777,912	100,469	677,443	-----	250,740	274,717	81,044	606,501	-----	70,942	32,868	38,074
Vermont	2.4	56,410	5,394	51,016	-----	-----	12,206	1,561	13,767	37,249	-----	-----	-----
Wisconsin	1.4	644,685	17,858	626,827	156,086	-----	265,070	-----	421,156	170,504	35,167	14,200	20,967
Percentage distribution													
Total		100.0	7.7	100.0	5.2	17.5	30.1	10.2	63.0	29.4	7.6	5.6	2.0
Alabama ¹		100.0	8.7	100.0	-----	12.4	32.1	36.2	80.7	19.3	-----	-----	-----
Indiana		100.0	3.5	100.0	-----	7.7	23.7	-----	31.4	68.6	-----	-----	-----
Minnesota		100.0	12.3	100.0	-----	15.4	30.7	23.6	69.7	-----	30.3	30.3	-----
Nebraska		100.0	3.9	100.0	-----	54.3	14.2	.6	69.1	30.9	-----	-----	-----
New Hampshire		100.0	11.7	100.0	-----	-----	3.9	42.2	46.1	53.9	-----	-----	-----
Texas		100.0	12.9	100.0	-----	37.0	40.5	12.0	89.5	-----	10.5	4.9	5.6
Vermont		100.0	9.6	100.0	-----	-----	23.9	3.1	27.0	73.0	-----	-----	-----
Wisconsin		100.0	2.8	100.0	24.9	-----	42.3	-----	67.2	27.2	5.6	2.3	3.1

¹ Variable rates are applicable to pay rolls for last 3 quarters of 1941.

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Variations in Assistance Payments and Social Characteristics of Recipients Accepted for Old-Age Assistance

ELLEN J. NEWMAN *

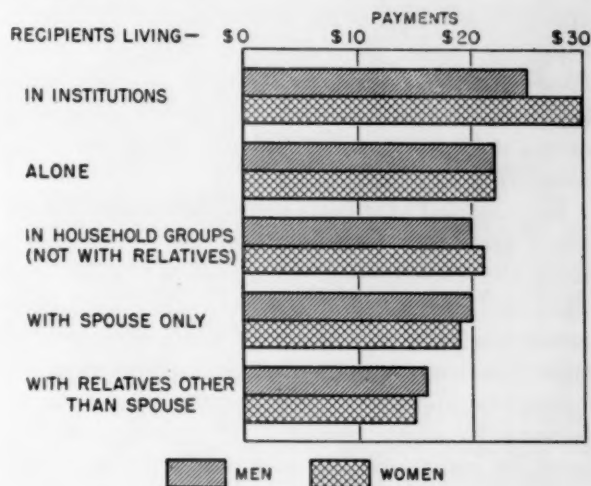
PUBLIC ASSISTANCE PAYMENTS are intended, in most States, to meet the deficiency between the total requirements of needy persons and any income which they may have. The social characteristics of needy persons, such as their living arrangements, marital status, and sex, affect both their total requirements and their incomes. It is to be expected, therefore, that there should be a relationship between such characteristics of recipients and the amount of assistance which they receive. Efforts to explore this relationship are severely handicapped by lack of comprehensive data on the income of recipients other than the assistance payment. Nevertheless, if the amount of assistance is assumed to be related to the needs of recipients, certain relationships may be expected to exist between the social characteristics of recipients and variations in the amount of assistance received.

Among the items considered by public assistance agencies in determining the requirements of recipients are food, clothing, shelter, utilities, and household supplies. Social data on recipients accepted for old-age assistance, collected by the Social Security Board for 3 fiscal years beginning with 1937-38,¹ indicate a consistent relationship from year to year between the amount of assistance given for such needs and the living arrangements, marital status, and sex of the recipients (table 1). Differences in living arrangements of recipients appear to be more important than marital status or sex in affecting differentials among groups of recipients within a State in the amount of assistance given.

Living arrangements.—Recipients living in pri-

vate institutions² receive the highest median monthly payment made to any group of recipients accepted for assistance (\$26 in 1939-40), probably because many recipients enter institutions for special supervision and medical care not available or too costly to be provided in their own homes (chart 1). Even if recipients in institutions lived in

Chart 1.—Old-age assistance: Median amount of monthly payment according to living arrangement of men and women accepted for assistance, fiscal year 1939-40



their own homes, many of them probably would require larger assistance payments than other more able-bodied recipients. Pennsylvania, for example, reported that in one county four-fifths of a group of recipients leaving institutions required the maximum assistance payment possible under the State law for old-age assistance.³

The existence of other income and resources influences the amount of assistance to recipients liv-

*Bureau of Public Assistance, Bulletin and Publications Unit.

¹ The latest social data available are for recipients accepted for the fiscal year ended June 30, 1940. During that period, 354,000 new recipients were added to the old-age assistance rolls. These recipients represented about one-sixth of the total number aided by the 51 States during the fiscal year. On June 30, 1940, there were 1,998,000 persons on the assistance rolls. Since some turn-over in the case load occurred during the year, the number aided throughout the year was somewhat larger than the number on the rolls at the end of the year.

² Recipients living in public institutions are not eligible for old-age assistance under the Social Security Act and, if accepted for assistance, must be aided entirely from State and local funds without Federal participation. Less than 0.1 percent of recipients living in institutions and accepted for old-age assistance in 1939-40 resided in public institutions.

³ See Glosser, Belle B., *Applications for Old-Age Assistance from Residents of Public Institutions in Allegheny County*, Pittsburgh, May 1, 1938, p. 9.

Table 1.—Old-age assistance: Median amount of monthly payment, according to living arrangements, marital status, and sex of recipients accepted for old-age assistance, fiscal years 1937-38, 1938-39, and 1939-40

Social characteristic	Median amount of monthly payment		
	1939-40	1938-39	1937-38
Number of recipients accepted.....	353, 934	377, 233	585, 877
All recipients.....	\$18	\$18	\$18
Men.....	19	18	18
Women.....	18	17	17
Recipients living:			
In institutions.....	26	27	26
Alone.....	22	21	21
In household groups but not with relatives.....	20	20	20
With spouse only.....	19	19	19
With relatives other than spouse.....	16	15	16
Recipients with spouse:			
Not living in same household.....	20	20	19
In same household:			
Receiving joint payment or not receiving old-age assistance.....	19	18	18
Receiving separate payment.....	18	18	17
Applying for separate payment.....	18	18	20

ing outside institutions. In order of size, the median amounts of payments for 1939-40 to recipients with specified living arrangements outside institutions were as follows: recipients living alone—\$22; recipients living in household groups but not with relatives—\$20; recipients living with spouse only—\$19; and recipients living with relatives other than spouse—\$16.

Housing and food costs probably account for the larger assistance payments needed by recipients living alone and in household groups but not with relatives. For recipients who do not own their homes and who pay house or room rent, shelter costs constitute a large part of assistance needs. Recipients who own homes may require some assistance to meet property payments, interest, taxes, or insurance, but such amounts ordinarily would not equal the amount needed by recipients paying monthly room or house rent. In addition, the per-person cost of preparing food decreases as the number of individuals sharing meals increases. The amount needed for food for recipients living alone and preparing meals only for themselves, therefore, would be greater than for recipients sharing a family table. Recipients eating at restaurants or in boarding homes also would need more money for food than recipients eating at family tables which are not operated for profit.

The smaller amounts paid to recipients living with only their husbands or wives than to recipients living alone may result from the fact that, in many cases, the needs of the husband

and the wife are considered individually and both receive separate assistance payments. Since they share common household expenses, their individual requirements are less than if they lived alone.

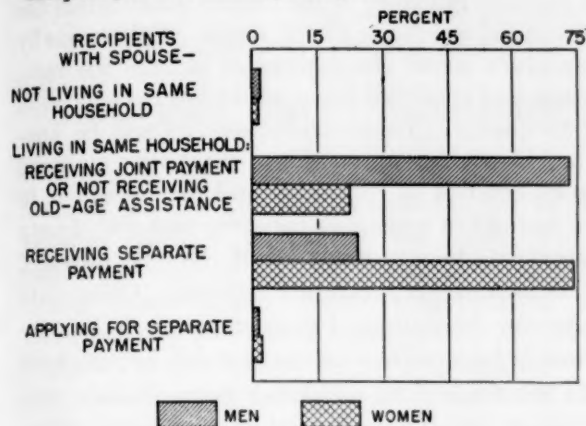
That recipients living with other relatives receive less assistance than any other group of recipients with specified living arrangements reflects the financial responsibility required by law or assumed voluntarily by relatives. The extent of such financial responsibility is difficult to measure. Relatives may provide free housing or board or all but a nominal amount of the cost of housing and boarding recipients. In some cases, relatives provide necessary medical care, clothing, or other items, and sometimes they contribute regular monthly allowances.

Marital status and living arrangements.—Variations in the median amount of assistance given to groups of married recipients with different living arrangements appear to reflect differences in methods of determining the size of the assistance payment rather than differences in the amount needed by recipients. Generally, for recipients living in household groups, payments shared by the recipient with other members of his household are larger than payments intended to cover only the needs of the recipient. Two types of shared payments are represented in assistance to married recipients. First is the joint assistance payment made in the name of one recipient for two or more eligible persons in the same household—usually the husband and wife. The second type of shared payment occurs when an agency makes no separate provision for the requirements of dependents of a recipient and when other forms of assistance are not available to the dependents or else provide a lower level of payments than old-age assistance. Many shared payments are represented among the payments to the group of married recipients whose spouses benefit from joint payments or do not receive old-age assistance. This group received a median monthly payment of \$19 in 1939-40, the largest payment to any group of married recipients living with their husbands or wives.

The median monthly payment to recipients whose spouses lived in the same household and were receiving or were applying for separate grants was \$18.

Sex of recipients.—Factors other than differences in need affect the size of payments to men and

Chart 2.—Old-age assistance: Percentage distribution according to marital status of men and women accepted for assistance, fiscal year 1939-40



to women. Varying methods of determining the size of payments apparently have caused the differential in payments to men and to women living with their spouses only. For the 51 States in 1939-40, the median amount of assistance given to men living with their wives only was \$20 as compared with \$19 paid to women who lived with their husbands only. In individual States, men received median payments as much as \$9 in excess of the median payments to women. These differentials probably result from the fact that more men than women receive shared payments (Chart 2). Of the married men accepted for assistance, only one-third had wives receiving separate old-age assistance payments. Of the married women, on the other hand, almost three-fourths had husbands receiving separate payments.

The greater number of shared payments received by the men can be explained by customs and traditions governing the relationship between husbands and wives. Men are customarily older than their wives. When this age differential occurs, the wife may not receive assistance because she is ineligible on the basis of age. In any case, however, it would be more customary for the man, as the traditional breadwinner, to apply for assistance. If his application is approved, his wife may not receive a separate payment, even though she is eligible for assistance, because State administrative procedures may preclude more than one assistance payment to a family. Since it appears to be customary to give assistance in the name of the head of the family

first, it is not surprising that in most families where assistance is given to the wife in her own name, the husband also receives a separate payment.

The interesting fact about women's status revealed by the data on recipients accepted for old-age assistance is not that old-age assistance usually is given to the husband as the head of the household, but that it is so often given to both the husband and the wife or to the wife only. This tendency on the part of public assistance agencies to give assistance on the basis of individual rather than family needs undoubtedly has changed the financial status of many women receiving assistance. The change in status is most easily demonstrated for the group of married women living with their husbands. The recipients accepted for old-age assistance during the fiscal year 1939-40 included about 120,000 married couples living together. About one-third of the wives in these households received assistance in their own names. According to the census of employment status as of March 24-30, 1940, only 25 percent of the women 14 years of age and over were working or seeking work. The percentage was undoubtedly lower in the first quarter of the century, when aged women now receiving old-age assistance were of working age. For many women accepted for old-age assistance, therefore, their assistance payment may represent the first money they had received in their own names.

Limitations of Data

The relationships pointed out above between the social characteristics of recipients and the amount of assistance which they receive appear to exist in most of the States. The relationships do not exist, however, in States with comparatively less adequate State and local funds and in States which determine the size of payments on a flat-grant-minus-income basis. With few exceptions, States with inadequate State and local funds are forced to spread their funds over a large recipient load. As a result, most of the payments in these States are small, and the limited range in the amount of assistance given to individual recipients can have little relation to the wide range in individual need.

The relationship between variations in payments and variations in the social characteristics of recipients cannot be assumed when the amount

of assistance is determined on a flat-grant-minus-income basis. The amount specified for assistance plus income is \$45 in Colorado. In California, Washington, and North Dakota,⁴ State laws provide that the sum of old-age assistance and income shall be not less than \$40; in Massachusetts and Utah, this sum is to be not less than \$30, and in Nevada not less than \$30 and not more than \$40. In these States, a relationship may exist between differences in assistance payments and in other income and resources of recipients, but, for recipients whose requirements are less than the amount stipulated in the State law, differences in total requirements will not affect assistance payments.

Even though inadequate, data on the amount

⁴ In North Dakota, because of inadequate State and local funds, the law is being administered on a budgetary deficit basis without reference to the \$40 minimum for total income.

of assistance to recipients with specified living arrangements, marital status, and sex are helpful in pointing out some of the factors which affect the amount of assistance to recipients. Other equally important social characteristics include the race, urban and rural residence, and physical condition of recipients. These characteristics will be analyzed in separate discussions. Statistics on social characteristics of recipients and on variations in the amount of assistance comprise two sets of data important to an analysis of factors affecting variations in the needs of recipients. Other data necessary to statistical measurement of the relationship between the amount needed by recipients and the amount of assistance given include data on other income and total requirements of recipients.

PUBLIC ASSISTANCE

BUREAU OF PUBLIC ASSISTANCE • DIVISIONS OF
OPERATING STATISTICS AND ANALYSIS AND SOCIAL STATISTICS AND RESEARCH

State and Local Financing of Public Assistance, 1940-41 *

The need for State financial participation in meeting costs of old-age assistance, aid to dependent children, and aid to the blind receives formal recognition in the Social Security Act. States must assume some responsibility for financing assistance as a condition for receipt of Federal funds. Financial participation by the State was required under the act in the belief that reduction of the financial burden on the localities was necessary to a sound financial basis for these programs. In addition, the use of State funds was intended to serve as an incentive to and as a method of obtaining adequate State supervision required by other provisions of the Social Security Act.

Since 1936, when the Federal Government withdrew from participation in general relief, the States and localities have been faced with the necessity of providing all the funds for that program also. Because of the inability of the localities to bear the entire cost of relief, State funds have been made available for this purpose in many States.

This discussion analyzes the division of non-Federal financial responsibility in 1940-41 between the States and localities for old-age assistance, and for aid to dependent children and aid to the blind in States with and without approved plans, and for general relief.¹ All data presented relate to the non-Federal share of expenditures for assistance, which is 100 percent for general relief.

Major responsibility for financing the three special types of public assistance and general relief has been assumed by State governments.—In addition to the amount received from the Federal Government, the States and localities expended almost \$700

million for old-age assistance, aid to dependent children, aid to the blind, and general relief. Two-thirds of State-local assistance costs were paid from State funds, in contrast to the practice prior to the depression when primary responsibility for these programs rested with local governments. Thirty-four States paid 60 percent or more of the non-Federal share of assistance costs; in 15 of these States, the State share was 80 percent or more. In 11 additional States, between 40 and 59 percent was paid by the State governments. In the remaining 3 States in the continental United States, the State share was less than 40 percent.

The assumption by the State government of a major share of State-local costs is not necessarily an indication of a high level of expenditures for public assistance in the State. This fact is clearly indicated when States are grouped in relation both to the proportion of State funds and to total expenditures for public assistance per inhabitant. Thus, of the 15 States with 80 percent or more from State funds and of the 19 States with 60 to 79 percent from State funds, about one-half were among the lowest in expenditures per inhabitant.

Table 1.—Public assistance: Relation of percent of State share of State-local expenditures to total assistance expenditures per inhabitant, by State, 1940-41

Total expenditures per inhabitant	States ¹ in which State share of State-local expenditures was—		
	80.0-100.0 percent	60.0-79.9 percent	59.9 percent or less
\$1.00-2.99..	Arkansas, Mississippi, South Carolina.	Georgia, Kentucky, Tennessee, Virginia.	Alabama, North Carolina.
3.00-5.99..	Louisiana, New Mexico, Texas, West Virginia.	Delaware, Florida, Maryland, New Jersey, North Dakota.	Vermont.
6.00-8.99..	Idaho, Missouri, Oklahoma, Washington.	Iowa, Maine, Michigan, Montana, Nebraska, Ohio, Oregon, South Dakota, Wyoming.	Connecticut, Indiana, Kansas, Nevada, New Hampshire, Rhode Island.
9.00 or more.	Arizona, Colorado, Illinois, Pennsylvania.	Utah.....	California, Massachusetts, Minnesota, New York, Wisconsin.

¹ Excludes District of Columbia.

*This analysis is limited to the division of financial responsibility between the States and localities, because no important changes occurred in source of funds at Federal, State, and local levels since data were last published. (See the Bulletin, Vol. 4, No. 2 (February 1941), pp. 58-60.) Data for 1940-41 on expenditures from Federal, State, and local funds will be presented without analysis in the November issue of the Bulletin.

¹ The District of Columbia is not included in the discussion, a large part of which does not apply to the particular governmental organization in the District.

Table 2.—Public assistance: Amount of State-local expenditures for assistance from State and from local funds, by State, fiscal year 1940-41¹

[In thousands]

State	Old-age assistance			Aid to dependent children			Aid to the blind			General relief		
	Total	State funds	Local funds	Total	State funds	Local funds	Total	State funds	Local funds	Total	State funds	Local funds
Total	\$253, 274	\$204, 503	\$48, 771	\$88, 198	\$56, 631	\$31, 567	\$15, 751	\$11, 846	\$3, 905	\$336, 345	\$188, 963	\$147, 382
Alabama.....	1, 113	643	470	482	241	241	32	16	16	259	127	132
Alaska.....	⁴ 266	⁴ 266	—	38	38	—	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)
Arizona.....	1, 432	1, 432	—	485	485	—	62	62	—	586	586	—
Arkansas.....	1, 108	1, 108	—	471	471	—	57	57	—	292	292	—
California.....	34, 172	17, 124	17, 048	5, 700	3, 242	2, 458	2, 473	1, 238	1, 235	28, 439	19, 010	9, 429
Colorado.....	8, 720	8, 720	—	1, 124	562	562	102	51	51	2, 056	1, 650	406
Connecticut.....	2, 883	2, 883	—	719	240	479	30	—	—	4, 203	⁶ 1, 143	⁶ 3, 060
Delaware.....	174	174	—	122	61	61	(⁵)	(⁵)	(⁵)	775	⁶ 136	⁶ 136
Florida.....	2, 795	2, 795	—	⁹ 451	451	(⁵)	⁹ 196	196	(⁵)	735	—	735
Georgia.....	1, 997	1, 661	336	583	482	101	86	71	15	498	—	498
Hawaii.....	139	139	—	298	298	—	7	7	—	(⁵)	(⁵)	(⁵)
Idaho.....	1, 222	1, 222	—	526	526	—	38	38	—	508	222	286
Illinois.....	18, 805	18, 805	—	² 017	504	1, 513	² 799	1, 363	1, 363	40, 615	⁸ 31, 406	⁸ 9, 209
Indiana.....	7, 311	4, 381	2, 930	3, 195	1, 915	1, 280	296	296	—	4, 526	—	4, 526
Iowa.....	6, 629	6, 629	—	799	799	—	192	85	107	4, 659	1, 408	3, 251
Kansas.....	3, 308	1, 397	1, 911	1, 255	485	770	172	65	107	2, 816	1, 187	1, 629
Kentucky.....	2, 858	2, 858	—	180	180	—	(¹⁰)	(¹⁰)	(¹⁰)	⁸ 559	—	559
Louisiana.....	2, 609	2, 609	—	2, 442	2, 442	—	113	113	—	2, 025	—	2, 025
Maine.....	1, 628	1, 628	—	439	199	240	154	154	—	2, 275	771	1, 504
Maryland.....	1, 931	1, 287	644	1, 304	1, 068	236	87	26	61	2, 122	1, 056	1, 066
Massachusetts.....	15, 331	10, 221	5, 110	6, 149	2, 915	3, 234	163	163	—	¹¹ 16, 325	⁸ 3, 265	⁸ 13, 060
Michigan.....	8, 002	8, 002	—	5, 917	5, 082	835	151	151	—	11, 834	6, 762	5, 072
Minnesota.....	7, 962	5, 308	2, 654	2, 084	817	1, 267	154	154	—	8, 039	2, 103	5, 936
Mississippi.....	1, 281	1, 281	—	¹² 19	19	—	47	47	—	35	—	35
Missouri.....	10, 631	10, 631	—	2, 067	2, 067	—	1, 000	1, 000	—	3, 760	3, 664	96
Montana.....	1, 406	950	456	431	301	130	29	20	9	718	369	349
Nebraska.....	3, 083	3, 083	—	¹³ 1, 002	1, 002	(¹³)	¹³ 86	86	(¹³)	1, 168	—	1, 168
Nevada.....	368	184	184	38	—	—	5	—	—	91	—	91
New Hampshire.....	829	415	414	210	210	—	44	44	—	¹¹ 1, 713	—	1, 713
New Jersey.....	3, 874	2, 906	968	2, 200	775	1, 425	104	—	104	9, 960	⁸ 6, 763	⁸ 3, 197
New Mexico.....	485	485	—	331	331	—	25	25	—	¹⁴ 170	164	¹⁴ 6
New York.....	17, 993	9, 184	8, 809	13, 307	3, 843	9, 464	440	225	215	100, 348	41, 946	58, 402
North Carolina.....	2, 238	1, 228	1, 010	971	522	449	170	89	81	¹¹ 438	—	438
North Dakota.....	906	771	135	462	235	227	29	29	—	539	289	250
Ohio.....	18, 281	18, 281	—	3, 139	1, 391	1, 748	480	147	333	15, 366	9, 520	5, 846
Oklahoma.....	8, 029	8, 029	—	1, 700	1, 700	—	208	208	—	665	179	486
Oregon.....	2, 511	1, 507	1, 004	587	352	235	68	41	27	1, 583	1, 072	511
Pennsylvania.....	13, 208	13, 208	—	14, 324	14, 324	—	4, 802	4, 802	—	45, 609	45, 609	—
Rhode Island.....	832	832	—	415	242	173	8	8	—	¹⁵ 2, 797	968	1, 799
South Carolina.....	837	837	—	325	325	—	49	49	—	220	110	110
South Dakota.....	1, 730	1, 730	—	¹⁶ 96	96	—	27	27	—	682	42	640
Tennessee.....	2, 433	1, 825	608	1, 590	1, 060	530	109	82	27	⁸ 239	—	239
Texas.....	9, 897	9, 897	—	8	—	—	(⁵)	(⁵)	(⁵)	1, 114	—	1, 114
Utah.....	1, 996	1, 400	596	1, 046	785	261	29	21	8	1, 486	1, 263	223
Vermont.....	545	545	—	120	60	60	20	20	—	431	—	431
Virginia.....	1, 157	723	434	474	296	178	77	48	29	667	417	250
Washington.....	7, 091	7, 091	—	981	981	—	197	197	—	2, 453	1, 286	1, 167
West Virginia.....	1, 576	1, 576	—	1, 225	1, 225	—	90	90	—	1, 254	889	365
Wisconsin.....	7, 165	4, 345	2, 820	3, 642	1, 886	1, 756	281	170	111	8, 970	1, 046	7, 924
Wyoming.....	497	267	230	143	79	64	24	24	—	226	186	40

¹ Excludes District of Columbia. States for which figures are italicized administer programs for aid to dependent children and aid to the blind under State laws without Federal participation. General relief financed from State and local funds without Federal participation. For definitions of assistance payments, see the Bulletin, Vol. 4, No. 9 (September 1941), pp. 50-52.

² Includes \$571,366 expended in 4 States from local funds without State or Federal participation, not included in State figures (see footnotes 9, 12, 13, and 15).

³ Includes \$12,116 expended in 3 States from State and local funds without Federal participation, not included in State figures (see footnotes 7, 9, and 13).

⁴ Estimated for part of period.

⁵ No program.

⁶ Not reported.

⁷ Excludes \$10,601 expended from State funds without local or Federal participation.

⁸ Estimated.

⁹ Excludes \$205,804 expended for aid to dependent children and \$434 for aid to the blind from local funds without State or Federal participation.

¹⁰ Information on status of program not available.

¹¹ Includes payments for medical care in July and August 1940.

¹² For March-June; first payments under approved plan for March. Excludes \$5,384 expended for July 1940-February 1941 from local funds without State or Federal participation.

¹³ Excludes \$165,113 expended for aid to dependent children and \$1,081 for aid to the blind from local funds without State or Federal participation.

¹⁴ Expenditures from local funds not reported for all counties.

¹⁵ Includes \$603,000 estimated as expended by local relief officials.

¹⁶ For November 1940-June 1941; first payments under approved plan for November. Excludes \$195,065 expended for July 1940-June 1941 from local funds without State or Federal participation.

On the other hand, 11 of the 14 States which expended less than 60 percent from State funds were among the highest in expenditures per inhabitant.

State governments, as a group, assumed a far larger portion of the non-Federal share of assistance costs of old-age assistance and aid to the blind than of aid to dependent children and general relief.—Eighty-one percent of the State-local share of payments for old-age assistance and 75 percent for aid to the blind were paid from State funds (table 3). On the other hand, 64 percent of the

Table 3.—Public assistance: Proportion of State-local expenditures for assistance from State and from local funds,¹ by program, fiscal year 1940-41

Program	Proportion of State-local expenditures from—			
	State funds		Local funds	
	Amount (in thousands)	Percent	Amount (in thousands)	Percent
Total.....	\$461,943	66.6	\$231,625	33.4
Old-age assistance.....	204,503	80.7	48,771	19.3
Aid to dependent children.....	56,631	64.2	31,567	35.8
Aid to the blind.....	17,846	75.2	3,905	24.8
General relief.....	188,963	56.2	147,382	43.8

¹ Excludes District of Columbia.

State-local share of payments for aid to dependent children and 56 percent of general relief payments were financed from State funds. The slightly lower proportion of State funds for aid to the blind than for old-age assistance is explained primarily by the large amount expended from local funds in California, which accounted for almost one-third of total expenditures from local funds.

The entire State-local share of old-age assistance and aid to the blind was financed from State funds by a majority of the States; in contrast, slightly more than one-third of the States assumed the entire cost for aid to dependent children and one-eighth of the States, for general relief.—State governments assumed full financial responsibility for the non-Federal costs of assistance payments for about two-fifths of the 194 public assistance programs (table 4). State governments paid all the non-Federal assistance costs for 29 of the programs for old-age assistance and for 27 programs for aid to the blind. On the other hand, only 18 programs for aid to dependent children and 6 for general relief were financed without local participation.

More State than local funds were expended for

old-age assistance in all but one State and for aid to the blind in all but six States; local funds exceeded State funds, on the other hand, in more than one-fourth of the States for aid to dependent children and in more than one-half of the States for general relief (charts 1-4).—In spite of the general tendency for the States to assume the larger share of State-local costs of the three types of public assistance, a considerable number of States required the localities to assume the greater burden for aid to dependent children (table 4). Although aggregate expenditures from State funds for general relief exceeded those from local funds, the localities in most of the States assumed the greater share of relief costs. The localities paid the total general relief costs in 11 States and more than one-half the total in 15 other States. About two-thirds of total State funds for general relief was expended in the 22 States in which the State paid 50 percent or more of the costs; expenditures from State funds by Illinois and Pennsylvania represented more than half of the total amount in these 22 States. By far the largest proportion of State funds provided by the 26 States in which the localities paid the larger part of total costs was expended in New York.

There is a distinct tendency in the States to finance all public assistance, and particularly the three special types of public assistance, with the same proportions from State funds.—In about one-fifth of the States the proportion of funds which the State expended was the same for all four programs.

Table 4.—Public assistance: Number of programs by proportion of State-local expenditures for assistance from State funds, by program, 1940-41

Proportion from State funds	Total	Number of programs ¹			
		Old-age assistance	Aid to dependent children	Aid to the blind	General relief
Total number of programs.....	194	50	50	46	48
Programs for which State bears—					
Total cost.....	80	29	18	27	46
Proportion of cost.....	97	21	28	17	31
Two-thirds or more.....	27	9	6	4	8
One-half but less than two-thirds.....	40	11	12	9	8
Less than one-half.....	30	1	10	4	15
None of the cost.....	17	—	4	2	11

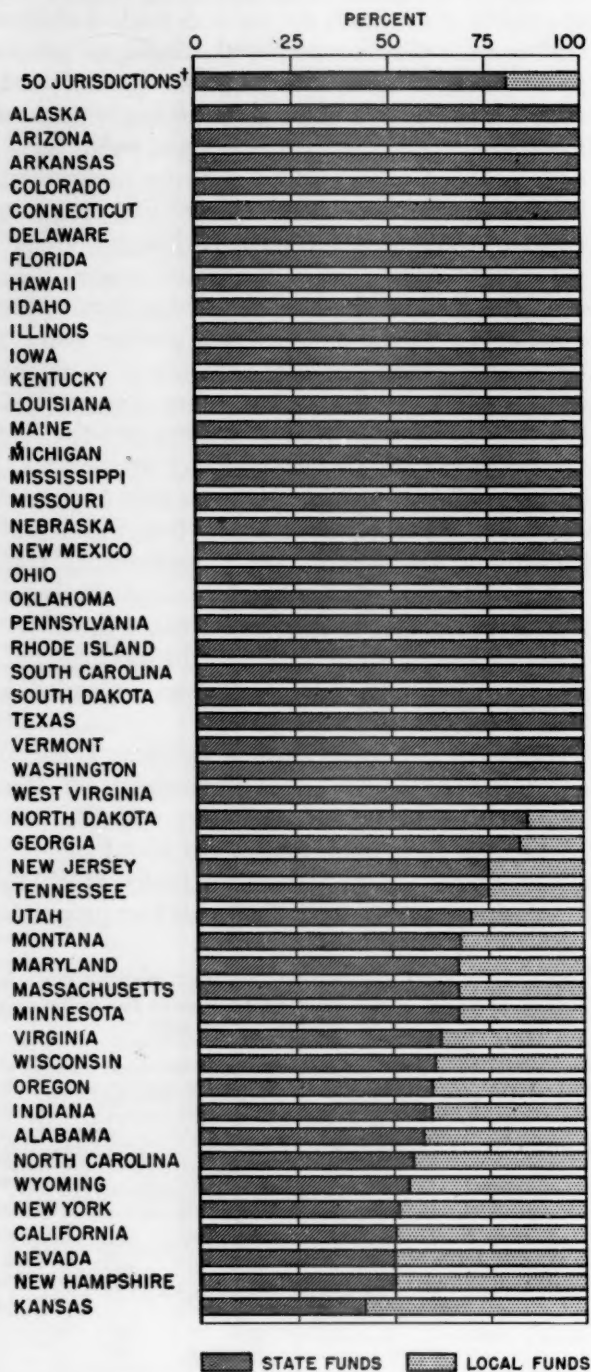
¹ Excludes District of Columbia.

² Alaska, Delaware, and Texas do not have programs for aid to the blind. Information is not available on the status of the program for aid to the blind in Kentucky.

³ Excludes general relief programs in Alaska and Hawaii for which data are not available.

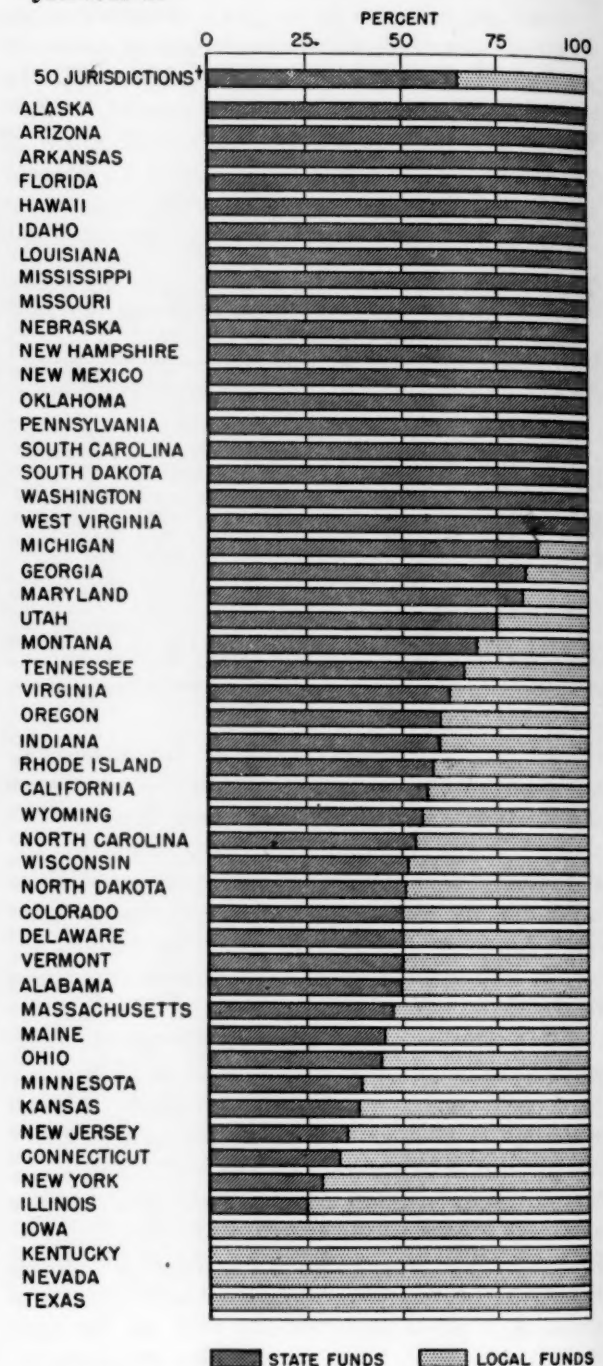
⁴ Includes 2 States in which slightly less than the total cost but more than 95 percent was paid from State funds.

Chart 1.—Old-age assistance: Percentage distribution of expenditures for assistance to recipients from State and local funds, by source of funds, fiscal year 1940-41



†Excludes District of Columbia.

Chart 2.—Aid to dependent children: Percentage distribution of expenditures for assistance to recipients from State and local funds, by source of funds, fiscal year 1940-41



†Excludes District of Columbia.

Five of the 9 States² in this group paid the entire State-local share of the three special types of public assistance and general relief. In an additional 14 States, the proportion of State funds was the same for each of the three special types of public assistance but differed for general relief; in 9³ of these 14 States, all the non-Federal share of assistance costs of the three special types of public assistance was paid by the State governments. For a third group of 15 States,⁴ State financial participation was the same for two of the four programs. The more common practice in these States was to finance old-age assistance and aid to the blind in the same proportions.

Thus, the integration of administration of the three special types of public assistance and general

² Arizona, Arkansas, Louisiana, Missouri, Pennsylvania; New Mexico also paid all public assistance costs from State funds according to available data, but these data do not include all local funds expended for general relief. In addition, Alabama, Kansas, Oregon, and Virginia expended about the same proportion but less than 100 percent from State funds for all programs.

³ Florida, Idaho, Mississippi, Nebraska, Oklahoma, South Carolina, South Dakota, Washington, and West Virginia. In addition, Georgia, Montana, North Carolina, Tennessee, and Utah expended the same proportion but less than 100 percent from State funds for the three special types of public assistance. Excludes Hawaii which paid the entire cost of the three special types of public assistance from State funds; data on general relief in Hawaii are not available.

⁴ Alaska, California, Colorado, Connecticut, Delaware, Indiana, Maine, Michigan, New Hampshire, New York, North Dakota, Rhode Island, Vermont, Wisconsin, and Wyoming.

Table 5.—Comparison of State-local financing in 1940-41 and 1935 of assistance payments for the three special types of public assistance in States with approved plans in 1940-41

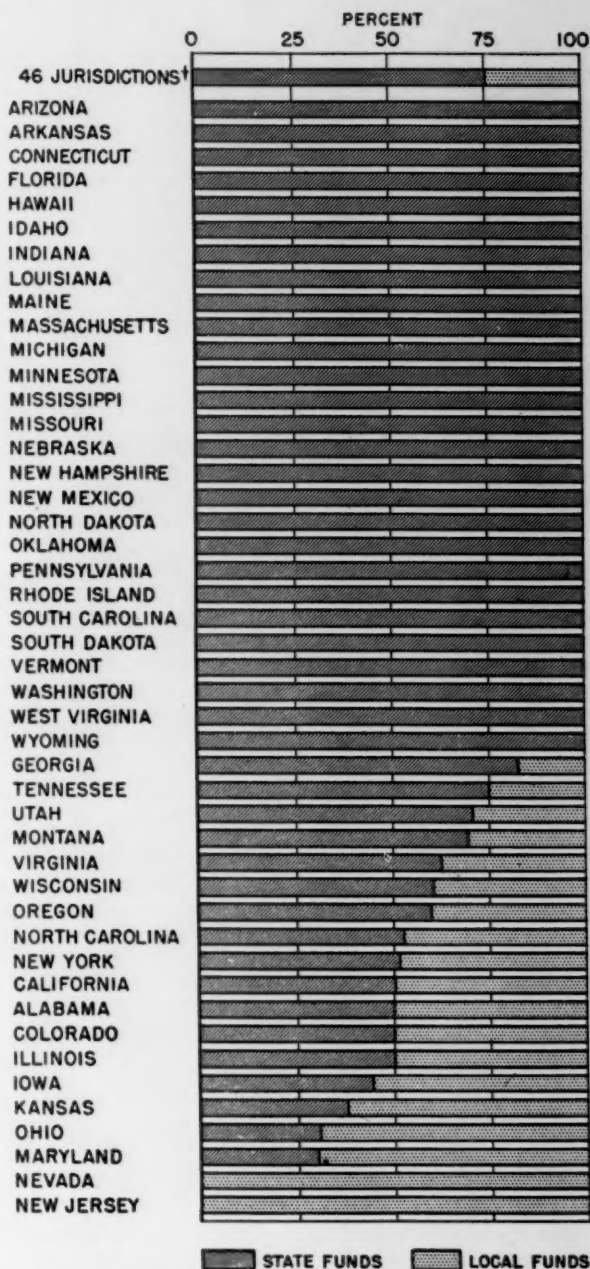
Method of financing	Number of programs ¹			
	Total	Old-age assistance	Aid to dependent children	Aid to the blind
All programs administered under approved plans in 1940-41.....	135	50	43	42
Financed in 1940-41 from—				
State funds only.....	71	29	17	25
State and local funds.....	64	21	26	17
Programs financed in 1935 from State funds only.....	19	11	2	6
Financed in 1940-41 from—				
State funds only.....	18	10	2	6
State and local funds.....	1	1		
Programs financed in 1935 from local funds or State and local funds.....	66	19	32	15
Financed in 1940-41 from—				
State funds only.....	19	5	9	5
State and local funds.....	47	14	23	10
Programs not in operation in 1935.....	50	20	9	21
Financed in 1940-41 from—				
State funds only.....	34	14	6	14
State and local funds.....	16	6	3	7

¹ Excludes District of Columbia.

relief, which has been encouraged under the Social Security Act, has been accompanied by a trend toward a common State plan for financing all four programs.

The practices prevailing in individual States

Chart 3.—Aid to the blind: Percentage distribution of expenditures for assistance to recipients from State and local funds, by source of funds, fiscal year 1940-41



†Excludes Alaska, Delaware, and Texas, which do not have programs for aid to the blind, and Kentucky, for which information on status of program is not available. Also, excludes District of Columbia.

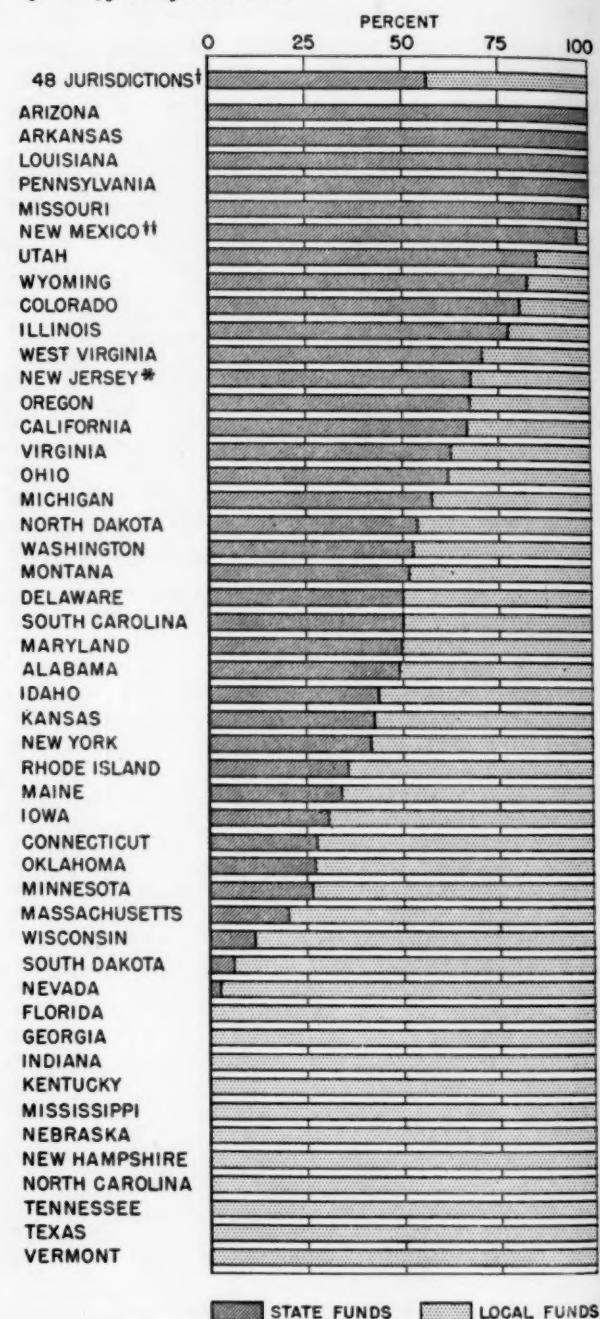
prior to the Social Security Act seem to have been the major factor determining the present division of financial responsibility for the three special types of public assistance.—When the arrangements in the individual States for State-local financing of the three special types of public assistance in 1940-41 are compared with those in effect for programs operated in 1935 prior to passage of the Social Security Act, it is apparent that the earlier provisions were the major influence in determining the present division of financial responsibility (table 5). The 19 programs which were entirely State-financed in 1935 were, with only one exception, financed without local participation in 1940-41. Similarly, the States which financed public assistance entirely from local funds or which required local contributions, in 1935 continued to require local participation in programs administered under the Social Security Act. Thus, of the 66 programs financed in whole or in part from local funds in 1935, 47 also were financed partly from local funds in 1940-41. In a number of the States which substituted State financing for local or State and local financing, the local contribution in 1935 was relatively low in relation to the State contribution, or the total amount expended from local funds was negligible.

Of the 29 States meeting the entire cost of old-age assistance in 1940-41 from State funds, 10 had State financing under earlier programs and 14 had no program prior to the Social Security Act. Moreover, 14 of the 19 States which required local participation in old-age assistance in 1935 continued the same requirements in 1940-41. The same tendencies may be observed in the financing of aid to the blind and aid to dependent children. Of the 26 States which provided for State-local financing of aid to dependent children in 1940-41, the 23 which had programs in operation prior to the passage of the Social Security Act required local participation in 1935.

The trend toward complete State financing is chiefly a result of paying assistance costs for new programs entirely from State funds.—The entire cost of assistance for 34 of the 50 programs established subsequent to the passage of the Social Security Act was assumed by State governments. About three-fourths of the new programs for old-

age assistance and aid to the blind and two-thirds of the programs for aid to dependent children were established on a State-financed basis.

Chart 4.—General relief: Percentage distribution of expenditures for assistance to cases, by source of funds, fiscal year 1940-41



†Excludes Alaska, Hawaii, and District of Columbia.

‡Expenditures from local funds not reported for all counties.

*Distribution estimated.

Statistics for the United States, August 1941

Total assistance and earnings decreased for the fifth successive month.—In August, total expenditures for public assistance and earnings under the several Federal work programs in the continental United States amounted to \$161.1 million, a decrease of 3.5 percent from July and 24.5 percent from the previous August (table 6). Payments in August are estimated to have benefited 4.0 million households including 10.4 million persons—2.4 percent and 3.7 percent less, respectively, than in July (table 7).

Smaller amounts were expended in August than in the same month of the previous year for general relief and for all the Federal work programs except the out-of-school work program of the National Youth Administration. Subsistence payments certified by the Farm Security Administration were also smaller.

All but one of the Federal work programs decreased from July; FSA subsistence payments increased.—

Total earnings on projects of the Work Projects Administration decreased 9.1 percent to \$61.1 million in August, and the number employed declined 1.0 percent to 1.0 million. The relatively larger decline in earnings than in the number employed is attributable for the most part to factors associated with pay-roll procedures. Earnings under the Civilian Conservation Corps program and the number enrolled were 2.2 and 2.3 percent less, respectively. Earnings under the NYA student work program declined to \$1,000 and employment to less than 500; the out-of-school work program increased 5.3 percent in earnings but decreased 0.9 percent in employment. Earnings under other Federal agency projects financed from emergency funds decreased 16.3 percent and the number employed, 14.3 percent. Subsistence payments by the Farm Security Administration and recipients of such payments in August were, respectively, 36.5 and 35.7 percent above July.

Chart 5.—Public assistance and Federal work programs: Payments to recipients and earnings of persons employed in the continental United States, January 1933–August 1941

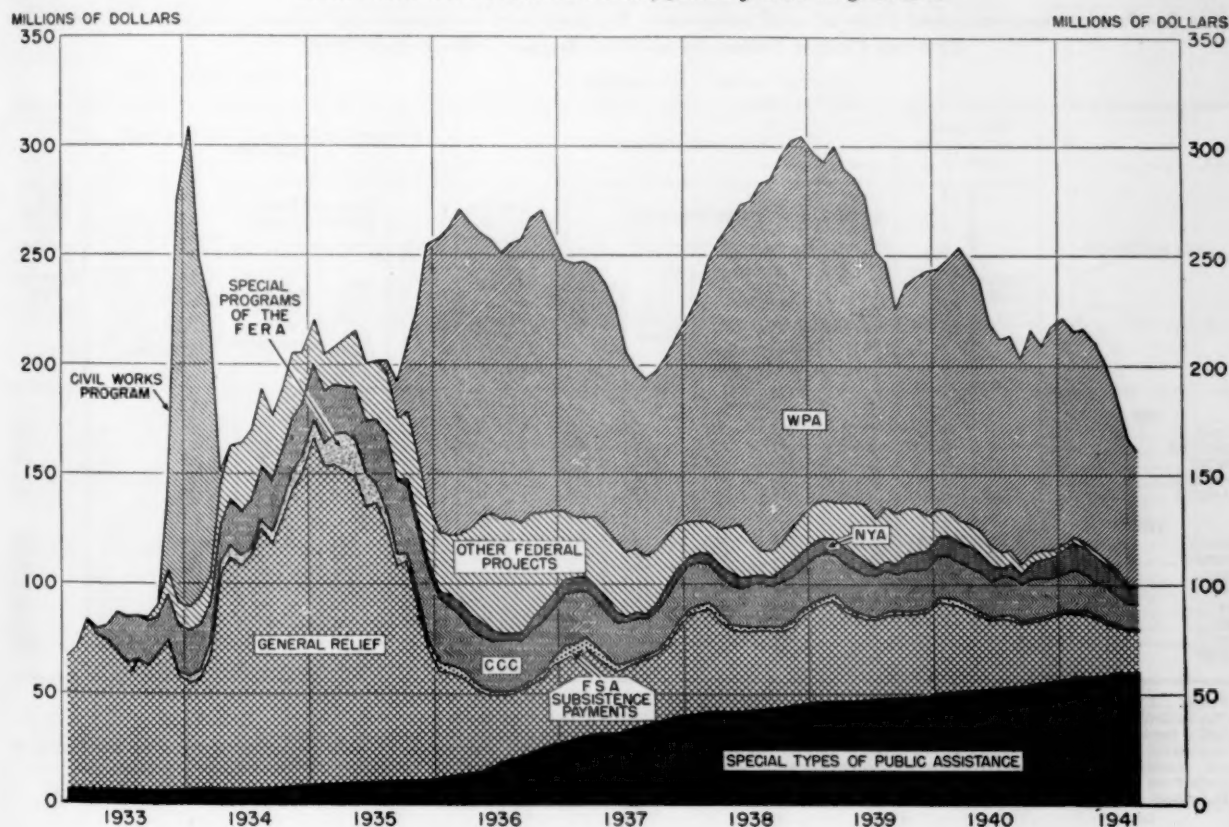


Table 6.—Public assistance and Federal work programs: Assistance and earnings in the continental United States, by month, August 1940–August 1941¹

[In thousands]

Year and month	Total ²	Assistance to recipients					Earnings of persons employed under Federal work programs					Earnings on regular Federal construction projects ³
		Special types of public assistance			General relief	Subsistence payments certified by the Farm Security Administration ⁴	Civilian Conservation Corps ⁵	National Youth Administration ⁶		Work Projects Administration ⁶	Other Federal agency projects financed from emergency funds ⁷	
		Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program			
1940												
August	\$213,288	\$39,943	\$11,223	\$1,832	\$31,732	\$940	\$19,022	\$4	\$4,759	\$97,333	\$6,500	\$43,799
September	203,056	40,034	11,328	1,829	28,547	732	16,828	106	4,822	93,507	5,323	47,038
October	216,141	40,864	11,558	1,846	29,379	811	18,479	2,236	4,911	101,789	4,268	56,126
November	209,222	41,306	11,718	1,848	29,041	831	18,725	3,064	5,450	93,532	3,707	69,201
December	217,869	41,858	11,990	1,862	30,089	1,052	16,314	3,109	6,463	102,329	2,803	86,074
1941												
January	222,075	42,523	12,298	1,868	30,552	1,543	17,110	2,776	7,901	103,514	1,900	103,323
February	215,065	43,001	13,192	1,871	28,881	1,680	18,152	3,165	9,224	94,080	1,849	113,790
March	216,162	43,458	12,766	1,870	28,767	2,049	16,178	3,283	8,929	97,400	1,462	111,136
April	208,557	43,880	12,866	1,885	26,278	1,667	15,073	3,352	8,419	93,689	1,448	116,152
May	198,960	44,115	12,856	1,896	23,281	975	14,765	3,385	8,115	88,236	1,336	106,415
June	188,000	45,681	12,805	1,896	20,585	1,628	12,902	2,592	7,992	80,746	1,173	110,103
July	166,928	45,325	12,570	1,889	19,842	326	11,693	12	7,126	67,225	920	119,282
August	161,080	45,680	12,574	1,905	19,632	* 445	11,430	1	7,507	61,136	* 770	* 129,519

¹ Partly estimated and subject to revision. For January 1933–July 1940, see the Bulletin, February 1941, pp. 66–68. For definitions of terms, see the Bulletin, September 1941, pp. 50–52. For method of computing earnings under the CCC for July and August 1941 see footnote 4.

² Data exclude earnings on regular Federal construction projects.

³ Data from the FSA.

⁴ Data from the CCC. Beginning with July 1941, earnings of persons enrolled estimated by the CCC by multiplying average monthly number of

persons enrolled, excluding Indians, by average of \$67.20 for each month and number of Indians enrolled by average of \$60.50 for each month.

⁵ Data from the NYA.

⁶ Data from the WPA.

⁷ Data from the Bureau of Labor Statistics.

⁸ Excluded from total; data from the Bureau of Labor Statistics.

⁹ Preliminary.

Table 7.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by month, August 1940–August 1941¹

[In thousands]

Year and month	Estimated unduplicated total ¹		Recipients of assistance					Persons employed under Federal work programs					Persons employed on regular Federal construction projects ³	
	Households	Persons in these households	Special types of public assistance			Cases receiving general relief	Cases for which subsistence payments were certified by the Farm Security Administration ²	Civilian Conservation Corps ⁴	National Youth Administration ⁵		Work Projects Administration ⁶	Other Federal agency projects financed from emergency funds ⁷		
			Old-age assistance	Aid to dependent children					Aid to the blind	Student work program				Out-of-school work program
				Families	Children									
1940														
August.....	5,098	14,478	2,001	353	849	72	1,342	43	287	1	239	1,684	49	345
September.....	4,990	14,059	2,016	357	859	72	1,258	35	254	24	238	1,673	41	391
October.....	5,200	14,436	2,034	360	867	72	1,230	34	279	352	232	1,743	32	456
November.....	5,277	14,577	2,051	364	874	73	1,213	36	283	439	262	1,771	27	614
December.....	5,362	14,807	2,066	370	891	73	1,239	45	246	449	326	1,826	22	712
1941														
January.....	5,445	15,064	2,075	376	909	73	1,257	59	258	442	419	1,858	15	721
February.....	5,458	15,060	2,082	383	924	73	1,230	58	274	459	482	1,850	13	797
March.....	5,360	14,667	2,107	387	935	73	1,210	68	244	471	459	1,718	11	762
April.....	5,153	13,896	2,127	391	942	74	1,153	54	228	478	419	1,575	11	776
May.....	4,913	13,048	2,148	393	944	74	1,038	36	223	462	391	1,453	10	723
June.....	4,691	12,375	2,167	391	942	74	934	40	195	356	384	1,376	9	715
July.....	4,147	10,821	2,181	388	935	74	875	14	175	2	318	1,025	7	758
August.....	* 4,047	* 10,420	2,194	386	931	74	859	* 19	171	(10)	315	1,015	* 6	* 779

¹ Partly estimated and subject to revision. For January 1933–July 1940, see the Bulletin, February 1941, pp. 68–70. For definitions of terms, see the Bulletin, September 1941, pp. 50–52.

² Estimated by the Work Projects Administration and the Social Security Board. Excludes persons employed on regular Federal construction projects.

³ Data from the FSA.

⁴ Data from the CCC.

⁵ Data from the NYA.

⁶ Data from the WPA.

⁷ Data from the Bureau of Labor Statistics.

⁸ Excluded from estimated unduplicated total; data from the Bureau of Labor Statistics.

⁹ Preliminary.

¹⁰ Less than 500 persons.

Food stamp plan.—Data on the food stamp plan administered by the U. S. Department of Agriculture are presented in table 8.

Total payments for the special types of public assistance increased slightly from July.—In August 1941, payments for old-age assistance, aid to dependent children, and aid to the blind in the continental United States, Alaska, and Hawaii totaled \$60.3 million, an increase of 0.6 percent from the previous month and of 13.9 percent from August 1940. Old-age assistance payments were 0.8 percent greater than in July and 14.8 percent greater than in August 1940. Payments for aid to dependent children increased less than 0.1 percent from the previous month, but increased 12.5 percent over August 1940. Aid to the blind payments were 0.9 percent greater than in July and 4.6 percent greater than in August 1940. Of total payments to recipients, more than 98 percent—\$59.2 million—was expended in States with plans approved by the Social Security Board. The re-

Table 8.—Food stamp plan: Number of areas included and participants, and value of surplus-food stamps issued in the continental United States, by month, August 1940 and February–August 1941¹

Year and month	Number of areas included ²	Number of participants ³		Value of surplus-food stamps issued
		Cases	Persons	
August 1940	124	661,494	1,916,500	\$4,501,090
February 1941	265	986,363	3,108,600	7,201,683
March	288	1,152,990	3,703,100	8,934,051
April	307	1,226,768	3,830,900	9,547,251
May	346	1,230,000	3,968,900	9,902,603
June	363	1,213,111	3,925,000	9,950,959
July	374	1,184,490	3,821,600	9,998,088
August ⁴	388	1,182,897	3,707,800	9,784,487

¹ Data do not include persons receiving commodities under direct distribution program of the Surplus Marketing Administration or value of such commodities.

² An area represents a city, county, or group of counties.

³ Includes recipients of 3 special types of public assistance and of subsistence payments from the FSA; recipients of, and those eligible for, general relief; persons certified as in need of relief and employed on or awaiting assignment to projects financed by the WPA. Includes for 1 area (Shawnee, Okla.) some low-income families having weekly income of less than \$19.50 who have been eligible to participate since October 1939.

⁴ Preliminary.

Source: U. S. Department of Agriculture, Surplus Marketing Administration.

Chart 6.—Special types of public assistance and general relief: Index of payments to recipients in the continental United States, January 1933–August 1941

[Average month 1936=100]

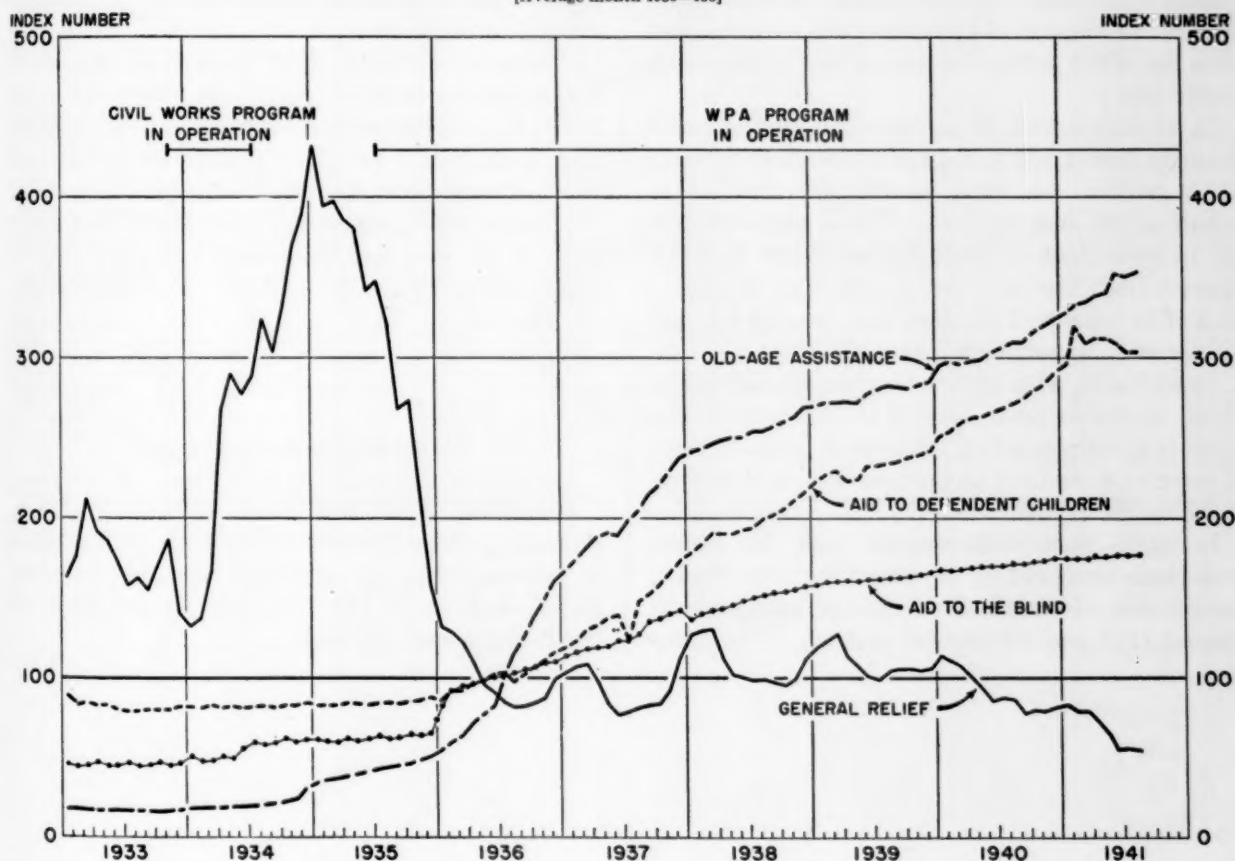


Table 9.—Special types of public assistance: Recipients and payments to recipients in States with plans approved by the Social Security Board in the continental United States, by month, August 1940–August 1941¹

Year and month	Number of recipients				Amount of payments to recipients			
	Old-age assistance	Aid to dependent children		Aid to the blind	Total	Old-age assistance	Aid to dependent children	Aid to the blind
		Families	Children					
1940								
August.....	2,001,353	338,506	816,714	48,025	\$51,950,138	\$39,943,196	\$10,880,017	\$1,126,925
September.....	2,016,261	342,179	825,113	48,233	52,143,882	40,034,084	10,985,638	1,124,160
October.....	2,034,024	345,350	832,302	48,479	53,210,497	40,864,365	11,210,560	1,135,572
November.....	2,051,006	350,929	844,453	48,768	53,857,406	41,306,151	11,406,554	1,144,701
December.....	2,066,410	357,215	861,236	48,948	54,678,404	41,858,109	11,671,091	1,149,204
1941								
January.....	2,074,988	363,183	878,812	49,043	55,655,147	42,522,552	11,961,434	1,151,161
February.....	2,081,507	369,812	894,603	49,179	57,041,579	43,000,824	12,884,833	1,155,922
March.....	2,107,498	374,354	905,747	49,299	57,068,694	43,457,921	12,450,080	1,160,603
April.....	2,127,092	378,405	912,742	49,477	57,595,126	43,880,272	12,550,015	1,164,839
May.....	2,147,975	379,580	914,542	49,631	57,824,853	44,114,757	12,536,069	1,174,027
June.....	2,166,911	378,381	912,833	49,749	59,347,294	45,681,341	12,487,602	1,178,351
July.....	2,181,082	374,946	905,699	49,806	58,748,549	45,324,969	12,254,147	1,169,433
August.....	2,194,196	373,270	901,902	50,133	59,119,338	45,679,512	12,256,712	1,183,114

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50–52.

maining \$1.1 million represented payments in States administering plans under State laws without Federal participation.

Old-age assistance, which is administered under approved plans in all 51 jurisdictions, amounted to \$45.7 million in August and was paid to 2.2 million recipients. The 0.8-percent increase from July in the amount of payments was accompanied by a rise of 0.6 percent in the number of recipients (table 10).

In 44 States with plans approved by the Social Security Board, aid to dependent children totaling \$12.3 million was paid to 374,000 families in behalf of 906,000 children. Total payments for aid to dependent children decreased less than 0.1 percent from the previous month, and the numbers of families and children were less by 0.5 and 0.4 percent, respectively (table 11).

In 43 States with approved plans for aid to the blind, increases from July of 0.7 percent in the number of recipients and 1.2 percent in the amount of payments resulted in payments of \$1.2 million to 50,200 recipients (table 12).

In comparison with August 1940, for States with plans approved by the Social Security Board, the number of recipients of old-age assistance in August 1941 was 9.6 percent greater. The num-

bers of families and children receiving aid to dependent children increased 10.2 percent and 10.4 percent, respectively, and the number receiving aid to the blind rose 4.5 percent. Payments were greater than in August of the previous year by 14.8 percent for old-age assistance, 13.0 percent for aid to dependent children, and 5.7 percent for aid to the blind.

Decrease in general relief retarded in August.—Payments for general relief from State and local funds to 859,000 cases amounted to \$19.6 million in August, a decrease of 1.1 percent from July and 38.1 percent from August 1940 (table 13). For 41 States reporting comparable data, the total number of cases and the amount of payments in August were 2.1 and 1.1 percent less, respectively, than in July.

Statistics for Urban Areas

Beginning with this issue of the Bulletin, monthly publication of statistics for urban areas is discontinued. A summary for the 6-month period July–December 1941 will be published in the Bulletin early in 1942.

Table 10.—Old-age assistance: Recipients and payments to recipients, by State, August 1941¹

State	Number of recipients	Amount of payments to recipients	Average payment per recipient	Percentage change from—			
				July 1941 in—		August 1940 in—	
				Number of recipients	Amount of payments	Number of recipients	Amount of payments
Total for continental United States.	2,194,196	\$45,679,512	\$20.82	+0.6	+0.8	+9.6	+14.8
Total for 51 States with plans approved by the Social Security Board.	2,197,603	45,748,595	20.82	+ .6	+ .8	+9.6	+14.8
Alabama.....	20,259	185,004	9.13	+ .4	+ .8	+1.0	-1.1
Alaska.....	1,569	45,711	29.13	- .2	- .8	-6.1	+10.0
Arizona.....	8,973	300,495	33.49	+ .7	+3.3	+8.8	+30.5
Arkansas.....	25,842	197,498	7.64	- .4	- .6	+14.2	+20.9
California.....	167,723	5,747,670	36.44	+ .5	+1.5	+8.6	+4.4
Colorado.....	42,608	1,356,718	31.84	(²)	-11.1	+3.0	+ .5
Connecticut.....	17,595	514,388	29.23	- .1	+2.1	+2.5	+7.9
Delaware.....	2,480	29,127	11.74	- .2	+ .8	-4.7	-1.5
District of Columbia.....	3,569	90,544	25.80	+ .4	+ .4	+3.8	+5.7
Florida.....	37,948	499,118	13.15	+ .5	+ .6	+4.8	+13.3
Georgia.....	52,421	439,645	8.39	+ .3	+ .6	+65.2	+72.1
Hawaii.....	1,838	23,372	12.72	- .2	- .8	+2.7	+ .8
Idaho.....	9,518	216,419	22.74	+1.0	+ .9	+5.9	+8.7
Illinois.....	148,128	3,494,185	23.59	+ .6	+1.5	+6.8	+18.6
Indiana.....	68,134	1,265,539	18.57	+ .6	+ .8	+2.5	+6.3
Iowa.....	57,087	1,196,559	20.96	+ .1	+ .2	+2.8	+4.6
Kansas.....	29,443	591,561	20.09	+ .9	+4.2	(³)	+16.8
Kentucky.....	58,770	526,129	8.95	+ .8	+1.0	+15.6	+17.4
Louisiana.....	35,636	470,901	13.19	- .4	- .6	+11.1	+23.1
Maine.....	13,561	283,396	20.90	+3.7	+3.7	+ .1	+ .6
Maryland.....	17,715	318,342	17.97	- .7	- .4	-3.5	-1.2
Massachusetts.....	87,212	2,520,930	28.91	+ .2	+ .2	+1.8	+3.3
Michigan.....	91,373	1,589,738	17.40	+1.1	+1.9	+23.1	+29.0
Minnesota.....	63,321	1,361,735	21.51	+ .1	+ .4	+ .8	+3.0
Mississippi.....	26,854	236,432	8.80	+ .2	+ .4	+19.8	+24.9
Missouri.....	115,752	1,477,080	12.76	+1.3	+1.7	+17.2	-5.6
Montana.....	12,517	257,970	20.61	+ .4	+ .9	+2.5	+16.9
Nebraska.....	29,204	502,985	17.22	+ .3	+ .8	+4.1	+7.9
Nevada.....	2,304	63,460	27.54	- .3	+1.8	+ .5	+4.3
New Hampshire.....	7,069	154,967	21.92	+ .7	+1.1	+18.0	+22.9
New Jersey.....	31,018	667,260	21.51	- .3	+ .2	- .3	+4.6
New Mexico.....	4,796	80,515	16.79	+ .1	-1.4	+1.9	+11.4
New York.....	121,842	3,066,390	25.17	- .1	+1.3	+2.1	+9.2
North Carolina.....	38,270	388,440	10.15	+ .6	+ .4	+5.8	+6.5
North Dakota.....	9,406	166,822	17.74	+ .4	+1.2	+7.1	+13.9
Ohio.....	138,447	3,245,432	23.44	+ .1	+ .3	+8.6	+11.3
Oklahoma.....	77,065	1,388,158	18.01	+ .3	+ .3	+4.9	+6.5
Oregon.....	21,416	463,510	21.64	+ .8	+1.3	+14.2	+15.6
Pennsylvania.....	103,109	2,319,021	22.49	- .2	+ .7	+ .1	+7.4
Rhode Island.....	7,110	147,190	20.70	+1.0	+1.8	+2.8	+7.8
South Carolina.....	18,115	150,755	8.32	+1.1	+4.9	-3.4	-1.8
South Dakota.....	14,946	282,082	18.87	- .1	-1.2	+ .9	-3.0
Tennessee.....	39,950	406,494	10.18	- .3	- .1	- .7	+ .2
Texas.....	147,815	2,750,625	18.61	+3.0	+3.4	+24.9	+114.0
Utah.....	14,503	388,353	26.78	+ .9	+1.2	+7.4	+28.1
Vermont.....	5,745	97,646	17.00	- .2	+ .2	+7.6	+13.8
Virginia.....	20,185	203,178	10.07	(⁴)	+ .3	+8.5	+11.2
Washington ⁵	59,681	1,950,361	32.68				
West Virginia.....	20,086	309,635	15.42	+3.1	+5.5	+10.6	+22.4
Wisconsin.....	54,202	1,235,277	22.79	+ .2	+ .4	+4.1	+6.4
Wyoming.....	3,533	84,743	23.99	+ .4	+ .7	+2.5	+3.6

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52.² Includes \$114,164 incurred for payments to 3,577 persons 60 but under 65 years.³ Increase of less than 0.05 percent.⁴ Comparable data not available.⁵ Preliminary. Percentage change not computed, because data are incomplete for August 1941.

Table 11.—Aid to dependent children: Recipients and payments to recipients, by State, August 1941¹

State	Number of recipients		Amount of payments to recipients	Average payment per family	Percentage change from—					
	Families	Children			July 1941 in—			August 1940 in—		
					Number of recipients		Amount of payments	Number of recipients		Amount of payments
					Families	Children		Families	Children	
Total for continental United States.....	386,130	931,272	\$12,573,854	\$32.56	-0.4	-0.4	(²)	+9.5	+9.6	+12.5
Total for 44 States with plans approved by the Social Security Board..	374,407	905,548	12,297,550	32.85	- .5	- .4	(¹)	+10.2	+10.4	+13.0
Alabama.....	5,819	16,781	81,525	14.01	- .2	- .3	+1.6	- .9	-1.7	- .8
Alaska.....	⁴ 90	⁴ 210	⁴ 3,800							
Arizona.....	2,471	6,640	81,441	32.96	+ .5	+2.3	+ .6	-3.0	-7.4	-1.2
Arkansas.....	6,423	16,492	86,175	13.42	- .4	- .6	- .8	+16.9	+16.9	+37.0
California.....	15,508	36,908	743,419	47.94	-1.4	-1.6	-1.5	- .5	-2.2	+4.0
Colorado.....	6,284	15,438	189,596	30.17	+ .1	+ .2	- .3	+3.1	+4.4	+4.4
Connecticut.....	<i>1,283</i>	<i>2,783</i>	<i>54,076</i>	<i>44.22</i>	-2.5	-2.7	-2.2	-12.5	-11.8	-16.0
Delaware.....	596	1,689	20,083	33.70	- .8	- .1	-1.5	+11.2	+15.7	+14.3
District of Columbia.....	1,019	3,016	38,092	37.38	+1.5	+2.1	+2.2	+7.8	+7.1	+7.7
Florida ¹	4,302	10,752	97,639	22.70	+4.1	+3.7	+5.0	+15.6	+7.5	+14.6
Georgia.....	4,660	11,497	101,879	21.86	- .8	-1.1	- .9	+17.9	+13.4	+24.3
Hawaii.....	1,137	3,646	40,838	35.92	-4.9	-5.3	-6.3	- .3	-5.1	- .1
Idaho.....	3,090	7,802	94,015	30.43	+ .9	+ .8	+1.2	+5.8	+8.0	+10.7
Illinois.....	<i>7,692</i>	<i>17,057</i>	<i>177,024</i>	<i>23.32</i>	+1.5	+2.3	+2.0	+5.1	+1.9	+8.1
Indiana.....	16,041	33,248	473,515	29.52	- .9	- .8	- .6	-7.7	-7.0	-2.6
Iowa.....	<i>3,485</i>	<i>7,665</i>	<i>66,155</i>	<i>19.32</i>	-2.0	-1.9	-1.5	+14.2	+9.5	+6.7
Kansas.....	6,534	15,538	192,640	29.48	(²)	+ .6	+1.7	(²)	(²)	+6.8
Kentucky.....	<i>480</i>	<i>1,350</i>	<i>16,500</i>							
Louisiana.....	15,325	38,917	405,520	26.46	- .7	-1.4	-1.3	+15.0	+4.5	+28.1
Maine.....	1,658	4,334	65,644	39.59	+3.6	+5.2	+3.3	+6.4	+9.4	+9.0
Maryland.....	6,201	16,991	191,017	30.80	-2.2	-1.8	-2.3	-13.3	-11.6	-14.2
Massachusetts.....	12,441	30,584	692,963	55.70	-1.2	-1.1	-1.1	+1.3	- .5	-2.1
Michigan.....	21,362	50,462	869,894	40.72	- .4	- .5	(²)	+10.2	+6.7	+16.2
Minnesota.....	9,287	22,014	316,564	34.09	- .3	- .6	- .4	+3.9	+2.8	+3.3
Mississippi.....	1,911	5,022	39,576	20.71	+19.4	+17.4	+18.4	(²)	(²)	(²)
Missouri.....	14,206	32,830	324,814	22.86	+1.1	+1.1	+1.1	+25.2	+20.3	+19.2
Montana.....	2,625	6,454	77,873	29.67	+3.4	+3.7	+3.1	+10.2	+11.5	+16.9
Nebraska ⁴	5,771	12,935	158,963	27.55	- .5	- .4	- .6	+4.7	+5.4	+5.6
Nevada.....	<i>115</i>	<i>275</i>	<i>2,727</i>	<i>23.71</i>	+1.8	+2.6	+1.5	+8.5	+6.2	+6.2
New Hampshire.....	654	1,628	28,554	43.66	+5.0	+6.1	+6.3	-1.1	-2.7	-3.2
New Jersey.....	9,839	22,332	311,068	31.62	-1.9	-1.6	-1.7	-13.0	-12.1	-11.4
New Mexico.....	2,023	5,723	52,472	25.94	+ .8	+ .4	- .1	+2.8	+ .2	+4.5
New York.....	32,317	63,425	1,491,547	46.15	-1.0	- .7	- .9	-9.4	-9.8	-7.2
North Carolina.....	9,832	23,416	164,991	16.78	- .1	- .1	- .3	+4.0	+ .1	+1.1
North Dakota.....	2,462	6,819	76,558	31.10	- .4	- .9	- .7	+3.1	+3.1	+3.3
Ohio.....	11,781	31,559	464,852	39.46	- .1	- .2	(²)	+13.4	+8.8	+14.7
Oklahoma.....	19,906	45,728	337,991	16.98	+ .9	+1.0	+6.0	+5.1	+5.3	+22.7
Oregon.....	2,074	4,877	86,108	41.52	+ .5	+ .1	+2.0	+5.2	+4.3	+9.8
Pennsylvania.....	60,506	151,349	2,252,402	37.23	-2.4	-2.3	- .6	+50.4	+60.4	+54.8
Rhode Island.....	1,288	3,660	58,794	45.65	- .6	- .2	(²)	+2.7	+4.0	+3.1
South Carolina.....	3,818	11,195	67,827	17.77	+ .3	+ .1	-1.8	+29.0	+26.3	+38.5
South Dakota ⁵	1,637	3,813	44,938	27.45	+2.3	+1.8	+2.5	(²)	(²)	(²)
Tennessee.....	14,239	35,557	265,280	18.63	- .4	- .7	- .3	+ .2	-1.1	+1.5
Texas.....	<i>485</i>	<i>1,230</i>	<i>1,690</i>							
Utah.....	4,048	10,583	171,301	42.32	+ .4	+ .6	+1.1	+14.8	+19.0	+33.9
Vermont.....	674	1,825	21,974	32.60	+2.9	+1.8	+2.3	+14.2	+8.5	+14.1
Virginia.....	4,564	13,425	91,310	20.01	+1.3	+1.3	+1.3	+32.4	+26.8	+29.2
Washington.....	5,281	12,622	198,071	37.51	- .1	+ .1	+2.4	+6.7	+7.4	+26.9
West Virginia.....	9,783	26,022	252,692	25.83	+3.2	+3.1	+7.3	+20.9	+17.2	+35.9
Wisconsin.....	12,236	27,909	449,608	36.74	- .8	- .6	- .6	-1.4	-1.6	- .6
Wyoming.....	774	2,001	25,527	32.98	- .4	+1.1	+ .6	+6.0	+9.6	+8.7

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered under State laws from State and local funds without Federal participation.

² Increase of less than 0.05 percent.

³ Decrease of less than 0.05 percent.

⁴ Estimated.

⁵ Includes aid to dependent children administered under State law without Federal participation.

⁶ Comparable data not available.

⁷ No approved plan for August 1940.

⁸ In addition, in 69 counties payments amounting to \$12,709 were made from local funds without State or Federal participation to 726 families in behalf of 1,676 children under the State mothers'-pension law; some of these families also received aid under State plan approved by the Social Security Board.

Table 12.—Aid to the blind: Recipients and payments to recipients, by State, August 1941¹

State	Number of recipients	Amount of payments to recipients	Average payment per recipient	Percentage change from—			
				July 1941 in—		August 1940 in—	
				Number of recipients	Amount of payments	Number of recipients	Amount of payments
Total for continental United States	74,366	\$1,905,446	\$25.62	+0.5	+0.9	+3.5	+4.6
Total for 43 States with plans approved by the Social Security Board	50,208	1,184,254	23.59	+7	+1.2	+4.5	+5.7
Alabama	623	5,676	9.11	+5	+1.7	+2.8	+6.4
Arizona	404	12,418	30.74	+7	+3.2	+10.1	+22.3
Arkansas	1,150	10,455	9.02	+6	+5	+20.5	+31.7
California	7,281	339,338	46.61	+2	+6	+5	-2.0
Colorado	608	19,540	32.14	+2	+1.2	-2.6	+14.2
Connecticut ²	230	6,635	28.85	+10.6	+15.1	+12.2	+10.4
District of Columbia	237	7,260	30.63	+2.2	+2.3	+2.3	+29.3
Florida ³	2,594	36,258	13.98	+9	+1.1	+7.7	+17.3
Georgia	1,621	17,697	10.92	+1.3	+1.3	+39.3	+49.7
Hawaii	75	1,140	15.20	(?)	(?)	(?)	(?)
Idaho	282	6,379	22.62	-4	+2	+1.1	+2.3
Illinois	7,777	224,402	28.84	-1.0	+1.1	-2.1	+2.9
Indiana	2,350	49,223	20.95	-3	(?)	-2.2	+4
Iowa	1,539	37,040	24.07	+1	(?)	+4.7	+6.3
Kansas	1,394	29,744	21.34	+9	+3.3	(?)	+16.4
Louisiana	1,246	20,997	16.85	-2	-7	+10.4	+31.1
Maine	1,083	24,558	22.68	+8	+8	-9.6	-0.9
Maryland	657	14,267	21.72	-8	-4	-3.7	-1.5
Massachusetts	1,187	28,193	23.75	+1.0	+8	+4	+2.5
Michigan	1,289	31,069	24.10	+3.0	+3.6	+36.0	+52.7
Minnesota	984	26,448	26.88	-2	-3	+5.4	+6.1
Mississippi	1,120	10,064	8.99	+3.4	+6.5	+37.6	+54.1
Missouri	3,180	82,800	25.73	+1.6	+1.6	+31.3	+41.0
Montana	281	6,292	22.39	+2.2	+1.6	+5.2	+11.3
Nebraska ⁴	732	15,399	21.04	+1.1	+1.5	(?)	(?)
Nevada	23	798	34.70	(?)	(?)	(?)	(?)
New Hampshire	329	7,613	23.14	(?)	+3	+4.8	+5.6
New Jersey	742	17,825	24.02	+5	+1.3	+2.6	+5.4
New Mexico	218	3,978	18.25	-5	-9	-7.2	-4.1
New York	2,867	75,878	26.47	+1.0	+2.6	-3	+7.8
North Carolina	2,049	30,721	14.99	+2.7	+3.2	+8.6	+8.4
North Dakota	136	2,871	21.11	+7	+2	-34.6	-36.6
Ohio	3,985	80,095	20.10	(?)	+3	+4	+3.3
Oklahoma	2,167	37,968	17.52	+5	+3.8	-3.2	+9.3
Oregon	475	12,194	25.67	+1.9	+3.9	+7.2	+9.5
Pennsylvania	13,813	414,832	30.00	+7	+1	+5.3	+4.4
Rhode Island	85	1,739	20.46	(?)	(?)	(?)	(?)
South Carolina	801	8,067	10.07	-2	-3	+1.8	-5.6
South Dakota	264	4,337	16.43	-6.4	-7.6	+9.5	+2.6
Tennessee	1,638	18,409	11.24	-2	(?)	+1.5	+3.0
Utah	180	4,772	26.51	(?)	-3	-8.2	-4.9
Vermont	161	3,509	21.80	+1.9	+1.9	+5.9	+7.6
Virginia	1,057	13,357	12.64	+1.1	+1.7	+2.9	+3.4
Washington	1,061	37,030	34.90	+4	+5	+1.6	+16.1
West Virginia	897	17,249	19.23	+2.7	+5.3	+10.1	+20.2
Wisconsin	1,977	46,737	23.64	-1	+1	-2.1	-4
Wyoming	143	3,815	26.68	-7	-7	-2.1	-4.3

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered under State laws from State and local funds without Federal participation. Delaware, Texas, and Alaska do not have programs for aid to the blind, and information on status of program in Kentucky is not available.

² Includes aid to the blind administered under State law without Federal participation.

³ Not computed; base less than 100.

⁴ Increase of less than 0.05 percent.

⁵ Comparable data not available.

⁶ Estimated.

⁷ No change.

⁸ Decrease of less than 0.05 percent.

Table 13.—General relief: Cases and payments to cases in the continental United States, by State, August 1941

State	Number of cases receiving relief	Amount of payments to cases	Average payment per case	Percentage change from—		
				July 1941 in—		August 1940 in amount of payments
				Number of cases	Amount of payments	
Total for continental United States ¹	859,000	\$19,632,000				
Total for 41 States ²	781,808	18,523,406	\$23.69	-2.1	-1.1	-34.1
Alabama	2,352	21,113	8.98	-1.6	-6	-10.3
Arizona	2,854	50,604	17.73	+3	+4.3	-2.2
Arkansas	3,267	15,002	4.59	-2.9	-1.9	-41.8
California	42,328	1,032,081	24.38	-7.2	-6.0	-62.9
Colorado ³	8,541	132,294	15.49	-2	+4.0	-20.3
Connecticut	7,693	206,707	26.87	+5.8	+8.7	-51.2
Delaware	808	15,915	19.70	-1.0	+2.8	-22.8
District of Columbia	2,223	54,529	24.53	+7.1	+8.5	+25.7
Florida	8,467	60,959	7.20	-7	+1.1	-7.7
Georgia	5,841	38,538	6.60	-1.9	-1.5	-9.7
Idaho	1,411	19,075	13.52	+3.0	+1.4	-40.5
Illinois	111,195	2,411,504	21.69	+2.1	+2.2	-30.7
Indiana ⁴	23,710	306,816	12.94	+1.8	-6.4	-46.4
Iowa	17,711	262,938	14.85	-2.2	-1.1	-30.6
Kansas	11,723	180,317	15.38	+4.5	+6.5	-24.6
Kentucky	⁵ 4,700	⁵ 44,000				
Louisiana	12,100	194,179	16.05	-1.3	-1.5	+38.1
Maine	5,886	121,760	20.69	-7.7	-6.2	-31.5
Maryland	7,079	146,911	20.75	-3	+1.1	-17.2
Massachusetts	36,820	890,152	24.18	-1.2	-2.1	(⁷)
Michigan	30,665	643,398	20.98	+1.5	-1.2	-40.8
Minnesota	21,441	432,169	20.16	-1	-2.7	-33.9
Mississippi	700	2,456	3.51	-5.0	-4	-31.1
Missouri	16,233	203,377	12.53	-10.6	-10.3	-29.9
Montana	2,630	38,139	14.50	-9.2	-10.0	-24.7
Nebraska	5,482	59,558	10.86	+4.8	+8.5	-38.5
Nevada	474	6,767	14.28	+11.0	+1.2	-7.6
New Hampshire	⁶ 3,980	⁶ 85,336				
New Jersey ¹	24,893	550,575	22.12	-1.5	-4	-47.1
New Mexico ¹	1,609	10,171	6.32	-7.2	-15.0	-14.9
New York	⁸ 192,550	7,266,896	37.74	-1.4	+1.0	-8.4
North Carolina	4,135	28,086	6.79	-1.1	-4.4	(⁷)
North Dakota	1,898	26,488	13.96	-13.7	-12.1	-25.4
Ohio	45,353	783,421	17.27	+1.9	+5.0	-44.9
Oklahoma	¹⁰ 9,777	37,280	(¹⁰) 17.44	(¹⁰) -5.0	+52.6	-30.9
Oregon	5,753	100,325	17.44	-5.0	-3.1	-17.8
Pennsylvania	106,227	2,175,261	20.48	-7.7	-8.8	-57.7
Rhode Island ¹¹	3,117	99,093	31.79	-5.3	-15.2	-68.4
South Carolina	2,360	19,602	8.31	+2.6	+3.7	-5
South Dakota	2,593	33,808	13.04	-11.1	-13.5	-15.0
Tennessee	⁹ 2,700	⁹ 15,000				
Texas	8,967	80,591	8.99	-2.1	-1.6	-23.9
Utah	4,804	129,065	26.87	-1	-5	+13.1
Vermont	1,395	24,371	17.47	-2.9	-2.9	-25.9
Virginia	5,139	51,255	9.97	-1.5	+6	-9.2
Washington	7,879	129,235	16.40	-8.2	-5.1	-19.3
West Virginia	11,852	118,908	10.03	+3	+6.4	+25.4
Wisconsin	21,112	424,756	20.12	-3.3	-7.2	-44.8
Wyoming	799	13,019	16.29	+1	+1.5	-21.2

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52.² Partly estimated. Does not represent sum of State figures because totals are estimated to exclude all cases receiving medical care, hospitalization, and/or burial only, and total payments for these services.³ Excludes Kentucky, Tennessee, and New Hampshire, for which figures are estimated; Colorado, Indiana, New Jersey, and Rhode Island, for which data include medical care, hospitalization, and/or burial; and Oklahoma (see footnote 10).⁴ Comparison for 39 States. In addition to States mentioned in footnote 3, Massachusetts and North Carolina are also excluded, because comparable data are not available.⁵ Includes unknown number of cases receiving medical care, hospitalization, and/or burial only, and total payments for these services.⁶ Estimated.⁷ Comparable data not available.⁸ State program only; excludes program administered by local officials.⁹ Includes cases receiving medical care only; number believed by State agency to be insignificant.¹⁰ Represents 3,500 cases aided under program administered by State board of public welfare, and 6,277 cases aided by county commissioners; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.¹¹ State unemployment relief program only. Includes unknown number of cases receiving medical care and/or hospitalization only, and total payments for these services. It is estimated that, in addition, 2,100 cases received \$36,000 from local officials.

Statistics by States, July 1941

Total expenditures less than in June in all States.—In July, total payments to recipients of public assistance and earnings under the several Federal work programs were less than in June in

49 States (table 14). Decreases occurred in earnings of persons employed on WPA projects in 48 States. Subsistence payments by the FSA decreased in 46 States, and earnings of CCC en-

Table 14.—Public assistance and Federal work programs: Assistance and earnings in the continental United States, by State, July 1941¹

[In thousands]

State	Total	Assistance to recipients					Earnings of persons employed under Federal work programs					Earnings on regular Federal construction projects
		Special types of public assistance			General relief	Subsistence payments certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration		Work Projects Administration	Other Federal agency projects financed from emergency funds	
		Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program			
Total.....	\$166, 928	\$45, 325	\$12, 570	\$1, 889	\$19, 842	\$326	\$11, 693	\$12	\$7, 126	\$67, 225	\$920	\$119, 282
Alabama.....	2, 578	184	80	6	21	1	562		245	1, 478	2	2, 930
Arizona.....	933	291	81	12	49	19	127		20	352	3	222
Arkansas.....	2, 119	199	87	10	15	7	621		77	1, 103		259
California.....	11, 812	5, 662	754	337	1, 098	67	247		277	3, 344	26	11, 276
Colorado.....	2, 827	1, 525	190	19	127	11	107		77	751	19	1, 720
Connecticut.....	1, 262	504	55	6	190		20		75	410	1	2, 030
Delaware.....	181	29	20		15	(²)	7		13	96		298
District of Columbia.....	616	90	37	7	50		26		37	341	27	2, 626
Florida.....	2, 379	496	93	36	60	(²)	224	(²)	84	1, 359	27	1, 764
Georgia.....	2, 429	437	103	17	39	1	499		185	1, 167	9	1, 274
Idaho.....	789	215	93	6	19	2	33		31	387	3	160
Illinois.....	11, 990	3, 442	174	222	2, 360		375		458	4, 844	115	5, 327
Indiana.....	4, 107	1, 255	476	49	328		142		242	1, 611	3	9, 733
Iowa.....	2, 734	1, 194	67	37	266		94		107	969		894
Kansas.....	2, 100	567	189	29	269	6	111		102	925	2	610
Kentucky.....	2, 639	521	118		44	3	575		141	1, 340		1, 347
Louisiana.....	2, 860	473	411	21	197	6	371		161	1, 220		1, 830
Maine.....	912	273	64	24	130	4	44		77	294	2	1, 224
Maryland.....	1, 250	320	195	14	145	2	56		89	421	7	2, 829
Massachusetts.....	7, 236	2, 516	701	28	909	(²)	157		179	2, 745	2	5, 408
Michigan.....	6, 180	1, 561	870	30	651	16	253	(²)	273	2, 526	1	1, 030
Minnesota.....	4, 308	1, 357	318	27	444	10	255		128	1, 768		610
Mississippi.....	1, 912	236	33	9	2	5	448		139	1, 038	1	1, 008
Missouri.....	5, 318	1, 452	321	83	227	(²)	476		261	2, 493	5	3, 466
Montana.....	948	256	76	6	42	7	68	(²)	38	446	9	300
Nebraska.....	1, 955	499	160	15	55	8	92		80	1, 008	38	600
Nevada.....	156	62	5	1	7	2	11		8	63	(²)	265
New Hampshire.....	536	153	27	8	93	1	14		12	226	2	1, 311
New Jersey.....	3, 984	666	316	18	553	(²)	127	7	221	2, 075	1	6, 727
New Mexico.....	926	82	53	4	12	4	187		19	530	36	714
New York.....	19, 423	3, 028	1, 505	74	7, 192	1	454	3	693	6, 367	105	5, 415
North Carolina.....	2, 585	387	166	30	29	5	443		158	1, 365	3	1, 184
North Dakota.....	790	165	77	3	30	3	110		25	376	(²)	193
Ohio.....	9, 018	3, 237	465	80	746	(²)	356		460	3, 582	72	5, 514
Oklahoma.....	3, 766	1, 384	319	37	24	26	496		137	1, 338	5	548
Oregon.....	1, 363	457	84	12	103	6	47		41	606	4	1, 383
Pennsylvania.....	13, 478	2, 302	2, 265	414	2, 384	4	675		547	4, 873	14	6, 129
Rhode Island.....	690	145	59	2	117	(²)	13	(²)	37	317	(²)	3, 399
South Carolina.....	2, 168	144	69	8	19	1	246		54	1, 309	319	2, 127
South Dakota.....	879	285	44	5	39	7	106		34	359	(²)	178
Tennessee.....	2, 486	407	266	18	15	2	507	(²)	154	1, 116	1	3, 927
Texas.....	7, 368	2, 661	1		82	55	933		394	3, 231	11	4, 507
Utah.....	1, 302	384	169	5	130	21	31	(²)	19	508	35	406
Vermont.....	304	97	21	3	25	(²)	9		22	126		71
Virginia.....	1, 438	203	90	13	51	2	328	1	78	672	(²)	8, 129
Washington.....	3, 394	1, 916	193	37	136	2	90		103	914	3	4, 456
West Virginia.....	2, 326	294	236	16	112	2	323		133	1, 209	2	1, 216
Wisconsin.....	4, 073	1, 231	452	47	458	7	206		146	1, 525	1	471
Wyoming.....	287	84	25	4	13	1	22		15	119	3	237

¹ See footnotes to table 6. Figures in italics represent programs administered under State laws from State and local funds without Federal participation.

² Partly estimated; does not represent total of State figures, because total payments for medical care, hospitalization, and burial are excluded.

³ Total includes data for 3 States in which amount of cash grant payments canceled during month exceeded amount of cash grant payments issued, by \$70 in Florida, \$29 in Missouri, and \$39 in Ohio.

⁴ Includes total payments for medical care, hospitalization, and/or burial.

⁵ Less than \$500.

⁶ Estimated.

⁷ State program only; excludes program administered by local officials.

⁸ State unemployment relief program only; includes total payments for medical care and hospitalization. It is estimated that, in addition, \$37,000 was expended by local officials.

rollees declined in 43 States. Obligations incurred for general relief were less in 37 States, and earnings of employees on other Federal agency projects financed from emergency funds decreased in 27 States. Earnings under the student work program of the NYA were smaller in all States, and

under the out-of-school work program in 37 States.

Increases in obligations incurred for payments to recipients of old-age assistance were reported by 34 States and to recipients of aid to the blind by 26 States. Payments for aid to dependent children, however, decreased in 32 States.

Table 15.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by State, July 1941¹

State	Recipients of assistance						Persons employed under Federal work programs					Persons employed on regular Federal construction projects
	Special types of public assistance				Cases for which sub-sistence payments were certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration		Work Projects Administration	Other Federal agency projects financed from emergency funds		
	Old-age assistance	Aid to dependent children		Aid to the blind								
		Families	Children									
Total.....	2,181,082	387,785	934,873	74,017	² 875,000	³ 14,114	174,547	2,309	317,919	1,025,062	7,418	758,079
Alabama.....	20,170	5,832	16,832	620	2,390	50	8,357	-----	9,788	23,889	34	22,148
Arizona.....	8,910	2,459	6,492	401	2,845	978	2,017	-----	1,094	4,149	34	1,943
Arkansas.....	23,935	6,451	16,592	1,152	3,363	265	9,246	-----	5,219	22,267	-----	3,314
California.....	156,943	15,725	37,591	7,298	45,605	4,122	3,675	-----	10,220	43,155	163	64,037
Colorado.....	42,600	6,276	15,414	607	⁴ 8,561	441	1,601	-----	2,928	12,128	119	8,533
Connecticut.....	17,614	^{1,855}	^{2,857}	208	7,273	-----	297	-----	3,131	4,431	55	11,803
Delaware.....	2,484	601	1,691	-----	816	2	108	-----	558	1,374	-----	2,699
District of Columbia.....	3,496	1,004	2,953	232	2,075	-----	389	-----	1,893	4,737	232	14,160
Florida.....	37,774	4,134	10,373	2,571	8,528	1	3,331	87	4,594	19,783	247	13,762
Georgia.....	52,240	4,696	11,622	1,600	5,957	20	6,983	-----	7,296	22,350	123	12,254
Idaho.....	9,426	3,061	7,743	283	1,370	403	501	-----	1,244	5,283	30	1,338
Illinois.....	147,280	^{7,480}	^{16,681}	^{7,554}	108,872	-----	5,579	-----	21,733	60,952	874	26,690
Indiana.....	67,725	16,190	33,527	2,358	^{23,282}	-----	2,110	-----	8,260	24,177	31	43,768
Iowa.....	57,050	^{3,496}	^{7,815}	1,537	18,102	-----	1,394	-----	5,358	14,887	-----	6,464
Kansas.....	29,169	6,533	15,451	1,382	11,222	176	1,651	-----	5,412	14,953	14	5,346
Kentucky.....	58,325	⁴¹⁰	^{1,350}	-----	^{5,200}	48	8,550	-----	5,927	25,390	-----	11,184
Louisiana.....	35,775	15,427	39,475	1,248	12,262	193	5,526	-----	6,102	21,445	-----	15,661
Maine.....	13,075	1,601	4,118	1,074	6,380	138	648	-----	2,597	3,948	14	8,550
Maryland.....	17,836	6,341	17,305	662	7,099	40	834	-----	4,114	5,020	78	18,737
Massachusetts.....	87,047	12,586	30,925	1,175	37,266	6	2,333	-----	9,959	36,017	61	27,994
Michigan.....	90,382	21,448	50,693	1,251	30,226	371	3,764	23	11,691	33,845	11	6,915
Minnesota.....	63,230	9,317	22,136	986	21,465	259	3,831	-----	5,419	27,477	-----	5,133
Mississippi.....	26,788	1,600	4,276	1,083	737	209	6,671	-----	6,890	20,669	19	12,262
Missouri.....	114,211	14,058	32,485	^{5,120}	18,159	(⁷)	7,082	-----	11,894	36,957	54	20,020
Montana.....	12,473	2,538	6,226	275	2,895	206	1,079	2	954	5,858	78	2,108
Nebraska.....	29,103	5,800	12,990	724	5,233	479	1,369	-----	3,249	14,904	303	4,533
Nevada.....	2,311	¹¹³	²⁶⁸	22	427	20	177	-----	369	1,080	1	1,849
New Hampshire.....	7,023	623	1,534	329	4,156	15	205	-----	742	3,758	15	7,078
New Jersey.....	31,099	10,026	22,689	738	^{25,264}	8	1,887	1,528	9,457	28,586	29	40,544
New Mexico.....	4,789	2,006	5,703	219	^{1,733}	151	2,805	-----	1,093	7,637	237	6,210
New York.....	121,934	32,650	63,899	2,840	^{195,256}	47	6,758	425	28,056	79,747	676	33,903
North Carolina.....	38,030	9,837	23,440	1,995	4,180	82	6,596	-----	9,206	27,077	59	9,918
North Dakota.....	9,369	2,472	6,884	135	2,199	126	1,677	-----	1,624	6,190	2	1,721
Ohio.....	138,369	11,796	31,628	3,986	44,514	(⁷)	5,303	-----	24,735	54,145	441	28,748
Oklahoma.....	76,826	19,732	45,274	2,157	^{9,326}	960	7,440	-----	6,491	27,798	54	5,159
Oregon.....	21,248	2,064	4,872	466	6,055	959	716	-----	2,278	6,904	53	9,244
Pennsylvania.....	103,256	61,989	154,977	^{15,715}	115,140	149	10,051	-----	19,365	69,067	173	39,090
Rhode Island.....	7,037	1,296	3,667	83	^{3,292}	2	189	4	1,173	4,041	16	20,535
South Carolina.....	17,915	3,808	11,183	803	2,300	22	3,654	-----	2,385	20,132	2,545	16,638
South Dakota.....	14,967	1,600	3,747	282	2,917	377	1,654	-----	735	6,655	1	1,720
Tennessee.....	40,067	14,300	35,797	1,641	^{2,700}	51	7,540	15	9,009	23,910	11	28,069
Texas.....	143,506	⁸⁸	²⁵⁰	-----	9,163	1,937	13,860	-----	19,721	59,230	130	37,289
Utah.....	14,368	4,031	10,519	180	4,808	282	473	5	639	6,781	289	3,146
Vermont.....	5,758	655	1,792	158	1,437	4	127	-----	722	2,271	-----	722
Virginia.....	20,183	4,505	13,254	1,045	5,217	40	4,885	220	6,478	12,690	3	56,676
Washington.....	58,863	5,288	12,614	1,057	8,580	232	1,357	-----	4,468	11,719	38	25,913
West Virginia.....	19,483	9,481	25,247	873	11,815	41	4,808	-----	5,664	21,591	31	6,480
Wisconsin.....	54,099	12,532	28,089	1,978	21,839	155	3,091	-----	5,361	23,138	13	8,889
Wyoming.....	3,518	777	1,980	144	798	50	338	-----	624	1,840	27	2,057

¹ See footnotes to table 7. Figures in italics represent programs administered under State laws from State and local funds without Federal participation.

² Partly estimated; does not represent total of State figures, because data are estimated to exclude all cases receiving medical care, hospitalization, and/or burial only.

³ Total includes data for 2 States in which number of cash grant payments canceled during month exceeded number of cash grant payments issued, by 1 in Missouri and 2 in Ohio.

⁴ Includes unknown number of cases receiving medical care, hospitalization, and/or burial only.

⁵ Estimated.

⁶ State program only; excludes program administered by local officials.

⁷ Includes cases receiving medical care only; number believed by State agency to be insignificant.

⁸ Represents 4,561 cases aided under program administered by State board of public welfare, and 4,765 cases aided by county commissioners; amount of duplication believed to be large.

⁹ State unemployment relief program only; includes unknown number of cases receiving medical care and/or hospitalization only. It is estimated that, in addition, 2,200 cases were aided by local officials.

EMPLOYMENT SECURITY

BUREAU OF EMPLOYMENT SECURITY • RESEARCH AND STATISTICS DIVISION

Operations of the Employment Security Program

Placement Activities

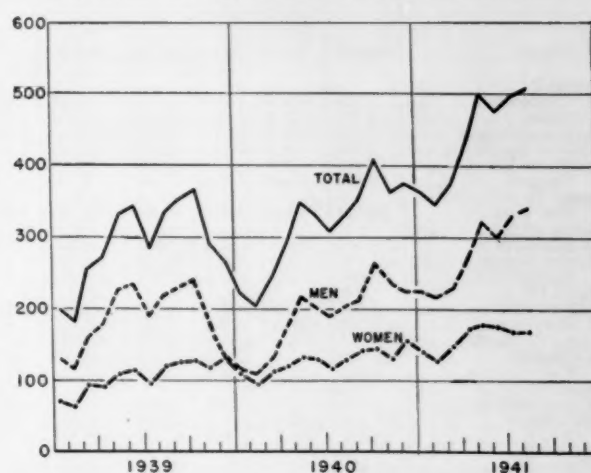
Jobs filled by State employment services during August exceeded the half-million mark for the second time this year (table 1). The 509,600 placements during the month were the most made in any month since the initiation of the national defense program as well as the highest August volume in the history of the United States Employment Service.

The active file as of the end of the month fell by 283,000 from July to 4.7 million, 10 percent below the level of August 1940; during the first half of 1941 the active file had ranged narrowly around 5.1 million. In 34 States fewer job seekers were registered for work than a year ago; in 8 of the 34—Connecticut, Hawaii, Maryland, Michigan, Nevada, Rhode Island, Vermont, and Washington—the reductions ranged from 42 to 71 percent. A heavy volume of defense contracts has stimulated employment greatly in 6 of these 8 States, and from Nevada and Vermont large numbers of workers have migrated to nearby defense centers in such States as California and Connecticut. At the other extreme, the 200-percent increase in Arkansas is due to the large number of registrations filed in anticipation of employment on defense projects, particularly at Camp Chaffee near Fort Smith and at ordnance plants in Jacksonville and Marche. Other large gains were reported by Florida, Indiana, Louisiana, and Texas. Except for Indiana and Texas, which have no validity period for their active files, the gains are mainly attributable to completion of defense construction projects. The increase in Illinois, although of smaller magnitude than in the other States, is of greater significance because it indicates, to some extent, the first effects of lay-offs arising out of a shortage of basic raw materials. Part of the increase in Indiana may also be due to priorities unemployment. The number of applications for jobs received in August—1.5 million—declined from the previous month but was 14 percent higher than in August 1940.

A total of 3.5 million placements have been made by public employment offices since the

beginning of the year, and an estimated 2.4 million different individuals have filled these jobs; in the comparable 1940 period 2.3 million placements were obtained for 1.5 million different individuals. Placements in Florida, Massachusetts, North Carolina, Rhode Island, South Carolina, and

Chart 1.—Placements of men and women by public employment offices, January 1939–August 1941



Virginia—two to three times higher than in the first 8 months of 1940—reflected greater employment opportunities arising out of industrial and military projects, mainly construction, in these areas. Only four States—Arizona, Colorado, Oklahoma, and Washington—filled fewer jobs than a year ago. The drop in Washington is attributable to the recent large-scale strike in the logging industry, the effects of which are still being felt at some sawmills where there is a shortage of logs. In the other States placements of agricultural, forestry, and fishery workers were far below the levels of last year.

Despite the high August volume of placements for the country as a whole, only 22 States shared in the 2.1-percent increase over July. Of the 10 leading industrial States, only California, New York, and Ohio filled more jobs than in July. Increased demand for harvest hands and placements on construction projects, particularly in

the Southeast and Gulf area, as well as the expanding defense program, probably accounted for the gains throughout most of the country.

Compared with August 1940, placements increased in all jurisdictions except Colorado and Hawaii. Exceptional gains were reported in

Table 1.—Placement activities of public employment offices for all registrants, by State, August 1941

[Corrected to Sept. 22, 1941]

Social Security Board region and State	Complete placements								Sup- plemen- tary place- ments	Total applications received		Active file		
	August 1941				January-August 1941					Number	Per- centage change from July 1941	Number as of Aug. 31, 1941	Percentage change from—	
	Num- ber	Percentage change from—		Regular (over 1 month)	Total		Regular							
		July 1941	August 1940		Number	Percent- age change from January- August 1940	Number	Per- cent of total					July 31, 1941	Aug. 31, 1940
Total.....	509,587	+2.1	+54.1	334,315	3,506,541	+53.8	2,235,457	63.8	161,727	1,445,836	-9.5	4,099,020	-5.7	+10.0
Region I:														
Connecticut.....	8,276	-15.8	+53.2	5,981	68,506	+75.3	49,927	72.9	5	19,860	-24.2	40,495	-10.3	-45.0
Maine.....	4,441	-10.2	+62.4	3,085	29,090	+92.2	22,633	77.8	11	8,428	-7.7	21,530	-11.0	-18.8
Massachusetts.....	9,115	-13.4	+92.4	7,721	69,102	+132.7	57,061	82.6	28	56,714	+12.6	122,304	+1	-31.5
New Hampshire.....	2,777	-2.7	+13.3	2,287	17,022	+8.4	13,270	78.0	57	4,914	-6.3	10,371	-13.0	-38.5
Rhode Island.....	1,914	-13.1	+142.0	1,676	16,602	+193.1	13,828	83.3	0	6,628	-23.2	28,136	-20.5	-42.0
Vermont.....	1,231	-6.7	+30.8	837	8,841	+25.6	5,358	60.6	10	2,068	-19.2	6,317	-16.4	-46.0
Region II:														
New York.....	49,938	+2.5	+55.8	30,701	349,253	+76.6	200,244	57.3	2,110	142,805	-22.0	447,809	-14.5	-19.8
Region III:														
Delaware.....	1,545	+8.2	+34.0	800	11,610	+33.5	5,855	50.4	114	2,820	+4	7,317	-3.9	-16.7
New Jersey.....	15,774	-6.5	+81.1	10,156	122,010	+71.8	77,179	63.2	29	40,966	-15.3	169,329	-11.6	-32.0
Pennsylvania.....	19,694	-9.7	+54.1	15,108	150,665	+56.0	110,697	73.5	1,181	94,218	-6.6	288,839	-8.6	-23.9
Region IV:														
Dist. of Col.....	4,991	-5	+19.1	2,364	41,612	+41.3	19,341	46.5	4	10,696	-18.1	21,746	-9.4	-21.9
Maryland.....	7,556	+10.3	+78.1	5,105	48,911	+66.5	32,466	66.4	972	25,488	+7.2	31,369	-22.5	-49.4
North Carolina.....	14,311	+32.1	+119.1	11,453	132,219	+178.0	111,085	84.0	4,065	36,428	-2.8	97,641	-3.4	+2.7
Virginia.....	13,003	-6.3	+91.0	10,368	88,948	+121.9	69,323	77.9	301	23,809	+5.6	61,639	-6.2	+10.7
West Virginia.....	4,020	-12.8	+44.2	2,637	29,757	+44.8	19,118	64.2	135	13,844	-17.0	61,600	+9	-13.3
Region V:														
Kentucky.....	5,094	+9.9	+113.8	4,097	31,179	+52.6	21,080	67.6	119	17,995	-3.3	87,176	-1.3	-4.0
Michigan.....	13,724	-13.6	+12.4	9,339	110,313	+34.1	73,854	66.9	923	49,388	-18.1	125,289	-9.1	-43.4
Ohio.....	25,634	+2.6	+70.1	16,278	186,836	+66.4	107,491	57.5	460	64,936	-11.2	236,102	-9.2	-37.2
Region VI:														
Illinois.....	20,813	-6.0	+55.8	11,907	168,616	+64.0	102,499	60.8	1,321	95,115	-3.4	201,372	+2.6	+15.5
Indiana.....	12,671	-2.0	+66.0	8,827	99,681	+70.3	66,929	67.1	2,418	35,386	-17.6	222,258	-3.0	+63.5
Wisconsin.....	11,434	(?)	+47.5	6,836	76,203	+47.5	46,153	60.6	498	25,736	-22.2	79,634	-12.1	-19.2
Region VII:														
Alabama.....	6,110	+11.3	+48.8	5,058	43,434	+23.2	29,236	67.3	557	25,968	-26.6	102,270	-6.4	-2.0
Florida.....	5,405	+2.8	+52.3	4,200	46,778	+100.0	35,965	76.9	181	16,984	-19.1	118,412	-2.3	+78.5
Georgia.....	13,341	+30.3	+14.8	9,860	76,021	+16.6	49,552	65.2	292	31,307	+5.9	99,809	-12.4	-38.2
Mississippi.....	10,857	+14.3	+189.4	10,317	42,253	+40.1	36,504	86.4	294	25,259	-26.8	78,446	-7.1	+19.7
South Carolina.....	9,469	+21.9	+308.1	8,192	60,285	+173.7	50,936	84.5	371	17,878	+3.7	54,361	+1.9	+3.0
Tennessee.....	6,955	-3.4	+28.7	4,880	66,474	+69.4	47,812	71.9	5,919	21,286	-7.3	131,991	-1.9	+25.7
Region VIII:														
Iowa.....	8,612	-5.6	+35.0	4,986	61,689	+22.2	32,743	53.1	597	22,442	(?)	71,882	+4.9	+3.7
Minnesota.....	10,914	-2.7	+32.9	5,083	60,157	+30.3	31,931	53.1	790	32,245	+2	85,526	-9.6	-31.7
Nebraska.....	4,405	-18.5	+29.2	2,445	26,528	+23.2	14,782	55.7	172	8,964	+1.1	43,818	-2.1	+9
North Dakota.....	12,676	+112.4	+15.1	2,559	31,131	+22.8	13,006	41.8	307	15,438	+116.0	24,346	-13.5	-2.4
South Dakota.....	2,967	+10.8	+18.2	1,336	13,841	+23.8	6,892	49.8	1,102	5,462	+34.9	17,435	-14.8	-30.3
Region IX:														
Arkansas.....	7,660	+4.0	+127.2	4,676	52,170	+43.7	22,654	43.4	6,251	27,851	-8.5	105,320	+11.9	+222.9
Kansas.....	6,675	-24.3	+47.4	3,334	55,044	+79.1	27,487	49.9	405	24,875	+14.0	63,435	+12.5	+3.4
Missouri.....	14,219	-5.2	+64.8	10,081	113,789	+89.2	82,868	72.8	1,162	56,026	+2.9	207,976	-1.7	+16.4
Oklahoma.....	4,786	-8.3	+12.8	2,430	33,509	-16.7	15,873	47.4	1,653	29,845	-15.7	97,176	+19.8	+21.3
Region X:														
Louisiana.....	7,055	+16.0	+140.1	5,286	48,289	+81.4	36,625	75.8	710	24,492	-32.9	141,925	+2	+71.7
New Mexico.....	1,974	+23.4	+46.5	995	12,593	+31.8	8,597	68.3	1,389	3,725	+8.2	25,603	+5.8	-24.3
Texas.....	36,608	-3.4	+34.3	23,134	258,977	+15.3	140,693	54.3	53,675	78,386	-14.3	376,171	-2.5	+67.9
Region XI:														
Arizona.....	2,133	-6.3	+24.6	1,128	20,501	-2.7	11,309	55.2	1,544	4,145	-11.8	16,082	-13.6	-18.3
Colorado.....	4,456	+3	-47.7	2,864	33,041	-15.2	17,109	51.8	6,300	11,745	-15.2	47,589	-1.6	-14.1
Idaho.....	4,268	+5.7	+27.1	2,105	23,766	+16.6	10,824	45.5	5,425	3,007	-11.5	23,464	-21.7	(?)
Montana.....	3,626	-15.1	+42.1	2,306	18,779	+28.0	13,271	70.7	599	6,305	+21.1	11,087	-3.7	-37.7
Utah.....	2,959	-3.4	+59.8	1,640	17,483	+52.6	8,470	48.4	346	7,525	-9.2	20,055	-16.5	-1.9
Wyoming.....	2,457	+47.4	+52.6	1,965	12,325	+62.2	9,032	73.3	79	3,164	-9	5,249	-18.6	-11.9
Region XII:														
California.....	43,725	+19.4	+61.8	26,936	262,554	+64.2	151,674	57.8	13,632	116,507	-3.0	304,875	-7.8	-30.2
Nevada.....	2,640	-5.5	+97.6	1,638	14,341	+54.4	9,084	63.3	179	3,347	-10.6	3,075	-10.6	-44.9
Oregon.....	13,179	+12.3	+128.6	10,570	68,708	+73.6	49,409	71.9	30,986	16,679	-7.8	21,120	-16.1	-31.5
Washington.....	9,535	-10.2	+60.0	5,207	59,682	-10.5	33,589	56.3	12,010	23,806	-11.4	28,204	-12.7	-71.3
Territories:														
Alaska.....	984	-8.6	+34.0	730	7,304	+55.3	5,388	73.8	27	1,342	-10.9	1,023	0	-5.7
Hawaii.....	981	+4.9	-2.0	811	8,119	+20.0	6,751	83.2	12	1,589	+8.5	3,022	+5.6	-65.3

¹ Total excludes Idaho, for which data are not comparable.

² Decrease of less than 0.05 percent.

Arkansas, Kentucky, Louisiana, Mississippi, Nevada, North Carolina, Oregon, Rhode Island, and South Carolina. In these States, placements were from two to four times as great as in the previous year; the gain is almost wholly attributable to large-scale building operations at Army camps,

airports, ordnance plants, housing projects, shipbuilding, and other related activities. In the Southeast and Gulf area, increased placement activity centered about Louisville, Kentucky, Alexandria and New Orleans in Louisiana, New Bern and Wilson in North Carolina, and Charles-

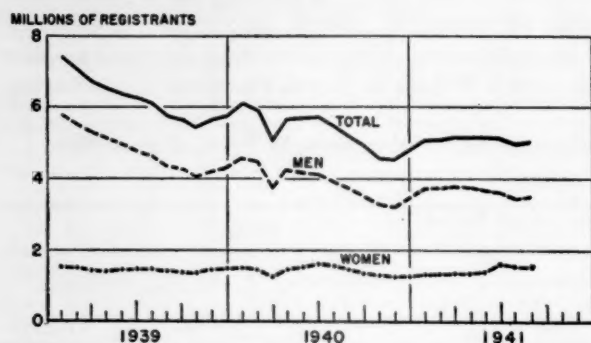
Table 2.—Placement activities of public employment offices for men and women, by State, August 1941

[Corrected to Sept. 22, 1941]

Social Security Board region and State	Men					Women						
	Complete placements			Total applications received	Active file		Complete placements			Total applications received	Active file	
	Number	Percent-age change from August 1940	Regular (over 1 month)		Number as of Aug. 31, 1941	Percent-age change from Aug. 31, 1940	Number	Percent-age change from August 1940	Regular (over 1 month)		Number as of Aug. 31, 1941	Percent-age change from Aug. 31, 1940
Total.....	340,330	+68.1	232,469	1,009,237	3,286,989	+12.6	169,257	+32.0	101,846	436,599	1,412,031	+3.5
Region I:												
Connecticut.....	5,314	+50.4	4,114	12,565	22,864	-48.8	2,962	+58.6	1,867	7,295	17,631	-39.0
Maine.....	3,021	+72.1	2,082	6,020	15,118	-19.6	1,420	+45.0	1,003	2,408	6,412	-16.8
Massachusetts.....	5,466	+102.1	4,771	36,819	72,422	-34.3	3,649	+79.6	2,950	19,895	49,882	-26.9
New Hampshire.....	2,177	+13.5	1,816	3,326	6,580	-35.6	600	+12.6	471	1,588	3,791	-43.0
Rhode Island.....	1,052	+211.2	963	3,642	16,121	-41.0	862	+90.3	713	2,986	12,015	-43.2
Vermont.....	838	+62.7	600	1,442	4,529	-43.6	393	-7.7	237	626	1,788	-51.3
Region II:												
New York.....	26,048	+87.2	18,553	89,282	276,457	-25.2	23,890	+31.7	12,148	53,523	171,352	-0.3
Region III:												
Delaware.....	733	+44.6	590	1,842	4,385	-18.6	812	+25.7	210	978	2,932	-13.8
New Jersey.....	7,137	+124.3	5,939	24,849	98,941	-39.0	8,637	+56.2	4,217	16,117	70,388	-19.0
Pennsylvania.....	11,333	+55.3	9,469	63,195	106,501	-28.8	8,361	+52.5	5,639	31,023	92,338	-10.6
Region IV:												
Dist. of Col.....	2,123	+10.3	1,123	5,959	11,325	-35.2	2,868	+26.6	1,241	4,737	10,421	+5.5
Maryland.....	5,342	+84.5	3,818	16,753	21,007	-48.0	2,214	+64.4	1,287	8,735	10,362	-52.1
North Carolina.....	9,656	+165.0	7,955	24,372	64,401	+5.2	4,655	+61.2	3,498	12,056	33,240	-1.8
Virginia.....	9,382	+150.8	7,892	16,675	36,516	-2.6	3,621	+18.1	2,476	7,134	25,123	+38.2
West Virginia.....	2,355	+61.4	1,870	10,283	50,121	-15.2	1,665	+25.4	767	3,561	11,479	-3.7
Region V:												
Kentucky.....	3,904	+166.1	3,353	13,430	68,428	-7.6	1,190	+29.9	744	4,565	18,748	+12.2
Michigan.....	9,393	+17.5	6,494	35,158	91,264	-48.9	4,331	+2.8	2,845	14,230	34,025	-20.4
Ohio.....	14,824	+96.5	9,728	42,970	153,402	-44.6	10,810	+43.6	6,550	21,966	82,700	-16.5
Region VI:												
Illinois.....	12,387	+90.8	6,437	63,323	133,974	+10.6	8,426	+22.6	5,470	31,792	67,398	+26.6
Indiana.....	7,414	+92.2	5,089	23,905	156,441	+59.4	5,257	+39.2	3,738	11,481	65,817	+74.1
Wisconsin.....	6,991	+60.5	4,370	17,534	56,520	-24.1	4,443	+30.9	2,466	8,202	23,114	-4.0
Region VII:												
Alabama.....	4,490	+56.5	3,787	19,102	80,232	-5.2	1,620	+31.1	1,271	6,866	22,038	+12.1
Florida.....	3,990	+55.0	3,323	12,172	87,833	+80.5	1,415	+45.3	877	4,812	30,579	+72.9
Georgia.....	10,482	+30.7	7,379	22,534	70,114	-38.1	2,859	-20.6	2,481	8,773	29,695	-38.2
Mississippi.....	9,611	+247.8	9,241	19,901	62,422	+20.5	1,246	+26.0	1,076	5,358	16,024	+16.6
South Carolina.....	8,053	+380.2	7,050	14,218	37,873	-6.5	1,416	+120.2	1,142	3,660	16,488	+34.2
Tennessee.....	3,687	+21.7	2,725	14,090	92,566	+28.9	3,268	+37.7	2,155	7,196	39,425	+18.8
Region VIII:												
Iowa.....	6,404	+48.8	3,838	16,106	51,965	-2.2	2,208	+6.3	1,148	6,336	19,917	+23.4
Minnesota.....	7,811	+39.4	3,309	24,219	64,421	-31.5	3,103	+18.8	1,774	8,026	21,105	-32.3
Nebraska.....	3,601	+32.6	1,976	6,911	33,264	-2.9	804	+15.7	469	2,053	10,554	+15.3
North Dakota.....	11,755	+15.6	2,124	13,538	18,649	-1.8	921	+9.1	435	1,900	5,697	-4.2
South Dakota.....	2,484	+26.2	1,082	4,341	12,787	-32.4	483	-10.9	254	1,121	4,648	-24.0
Region IX:												
Arkansas.....	5,332	+163.0	3,339	23,156	86,068	+245.2	2,328	+73.2	1,337	4,695	19,252	+150.6
Kansas.....	4,909	+82.7	2,404	19,826	49,474	+3.3	1,766	+34.6	930	5,049	13,961	+16.1
Missouri.....	9,752	+96.1	7,207	41,266	149,949	+18.6	4,467	+22.1	2,874	14,760	58,027	+11.0
Oklahoma.....	2,609	+6.8	1,337	23,426	78,309	+18.9	2,177	+20.9	1,093	6,419	18,867	+32.2
Region X:												
Louisiana.....	3,895	+193.7	3,033	16,769	115,775	+75.4	3,160	+96.0	2,253	7,723	26,150	+57.0
New Mexico.....	1,552	+64.8	761	2,821	21,185	-25.3	422	+4.2	234	904	4,418	-18.7
Texas.....	26,093	+44.6	17,394	60,945	293,323	+71.0	10,605	+14.3	5,740	17,441	82,848	+57.9
Region XI:												
Arizona.....	1,287	+12.7	761	2,929	12,260	-22.2	846	+48.4	367	1,216	3,813	-2.5
Colorado.....	3,183	-49.2	2,108	8,241	33,773	-19.1	1,273	-43.3	756	3,504	13,816	+1.4
Idaho.....	3,336	+28.8	1,581	2,102	19,634	(1)	932	+21.4	524	905	3,830	(1)
Montana.....	3,103	+44.0	1,960	4,842	7,931	-43.7	523	+32.1	346	1,463	3,156	-14.8
Utah.....	2,324	+90.0	1,352	5,462	15,720	-5.2	635	+1.0	288	2,063	4,335	+11.5
Wyoming.....	2,219	+55.0	1,822	2,536	3,757	-18.5	238	+33.7	143	628	1,492	+10.6
Region XII:												
California.....	29,633	+78.9	18,614	79,258	190,494	-36.2	14,092	+34.7	8,322	37,249	114,381	-17.2
Nevada.....	2,145	+110.7	1,422	2,632	1,941	-55.4	495	+55.7	216	715	1,134	-7.9
Oregon.....	11,264	+139.5	9,251	13,268	15,233	-37.0	1,915	+80.5	1,319	3,411	5,887	-11.4
Washington.....	6,854	+60.1	3,846	16,864	20,034	-73.6	2,681	+59.6	1,361	6,942	8,170	-63.5
Territories:												
Alaska.....	869	+32.1	678	1,183	708	-18.2	115	+51.3	52	159	315	+43.2
Hawaii.....	803	-2.9	739	1,235	1,969	-72.2	178	+2.3	72	354	1,053	-35.1

¹ Total excludes Idaho, for which data are not comparable.

Chart 2.—Active file of men and women registrants at public employment offices as of end of month, January 1939–August 1941



ton and Sumter in South Carolina. Large gains were also reported for Providence and Pawtucket in Rhode Island, Reno and Elko in Nevada, and Portland and Pendleton in Oregon.

In August more than 340,000 jobs were filled by men and more than 169,000 by women (table 2). Placements of men were 68 percent greater than those made in August 1940, while placements of women were 32 percent higher. Since the beginning of 1941, the relative increases over the previous year have varied widely for men but have always been materially greater than for women; the gains for women over the previous year have been approximately the same each month. In absolute numbers there has been an erratic upward movement in the difference between the number of placements of men and women each month. In August 1941 the difference was more than twice as great as in January 1941. Sixty-eight percent of the jobs filled by men and 60 percent of the jobs filled by women were expected to last longer than a month; the proportion for women in both July and August was the largest yet attained this year and may indicate that more women are being hired for regular factory jobs as labor stringencies intensify. Placements of men were less than in August 1940 only in Colorado and Hawaii, and of women in Colorado, Georgia, South Dakota, and Vermont. As in most previous months, placements of women exceeded those of men in Delaware, the District of Columbia, and New Jersey.

The active file of men, numbering 3.3 million at the end of August 1941, was 13 percent lower than a year ago; the 1.4 million women registered were 3.5 percent less. Male job seekers totaled

Table 3.—Agricultural placements, by State, July and January–July 1941
[Corrected to Sept. 9, 1941]

Social Security Board region and State	July 1941			January–July 1941		
	All placements		Complete placements	All placements		
	Number	Percent- age change from July 1940		Number	Percent- age change from January– July 1940	Percent- age of all placements in all industries
Total	144,145	+8.7	43,766	100,379	+10.9	17.6
Region I:						
Connecticut	1,002	+208.3	1,002	0	2,487	+76.8
Maine	346	+107.2	346	0	784	+51.5
Massachusetts	377	(¹)	377	0	1,020	+178.7
New Hampshire	91	+40.0	91	0	300	-1.6
Rhode Island	23	(¹)	23	0	111	(¹)
Vermont	65	+6.6	64	1	355	-2.8
Region II:						
New York	2,872	+96.0	1,692	1,180	6,806	+50.9
Region III:						
Delaware	120	+57.9	47	73	269	+67.1
New Jersey	501	+17.0	501	0	2,253	+56.4
Pennsylvania	719	+301.7	649	70	1,773	+80.4
Region IV:						
Dist. of Col.	7	(¹)	7	0	104	+40.5
Maryland	3,000	(²)	1,364	1,636	6,047	+951.6
North Carolina	6,547	+747.0	335	6,212	25,177	+418.2
Virginia	857	+686.2	265	592	3,420	+24.5
West Virginia	143	+123.4	140	3	322	+91.7
Region V:						
Kentucky	32	(¹)	31	1	1,357	-15.7
Michigan	1,803	+33.2	629	1,174	5,196	+23.7
Ohio	900	-21.9	792	108	3,579	+2.4
Region VI:						
Illinois	2,293	+192.1	2,043	250	6,775	+105.5
Indiana	273	+3.8	273	0	1,212	-16.4
Wisconsin	887	-3.7	835	52	3,558	+5
Region VII:						
Alabama	462	+52.0	343	119	7,558	+2.6
Florida	42	(¹)	42	0	1,573	-78.3
Georgia	1,655	+6.2	1,609	46	6,156	+15.9
Mississippi	124	-76.8	124	0	1,493	-31.0
South Carolina	392	+532.2	346	46	1,878	+107.3
Tennessee	4,054	-6.8	34	4,020	51,959	+84.7
Region VIII:						
Iowa	2,704	+52.8	2,639	65	7,374	+33.2
Minnesota	4,302	+14.0	3,843	459	11,186	+21.0
Nebraska	1,777	+297.5	1,265	512	3,009	+164.4
North Dakota	3,475	+23.4	3,474	1	6,407	+24.4
South Dakota	1,395	+191.8	1,065	330	2,512	+130.7
Region IX:						
Arkansas	6,316	-50.6	2,470	3,846	80,264	+50.7
Kansas	1,770	+140.2	1,236	534	4,172	+74.4
Missouri	1,658	+65.0	1,099	559	13,606	-8
Oklahoma	7,692	+39.4	131	7,561	16,650	+3
Region X:						
Louisiana	45	(¹)	20	25	1,728	+35.2
New Mexico	657	+3.7	302	355	3,154	-38.0
Texas	28,203	-1.5	533	27,670	165,897	-18.4
Region XI:						
Arizona	538	-81.6	172	366	27,150	+32.9
Colorado	8,251	+7.2	502	7,749	17,686	+10.1
Idaho	4,976	+201.0	1,695	3,281	21,450	+91.8
Montana	2,540	+133.7	1,890	650	6,382	+51.1
Utah	1,077	-9.5	1,021	56	3,183	-12.6
Wyoming	359	+20.1	323	36	1,180	+16.5
Region XII:						
California	8,364	+135.0	2,009	6,355	30,936	+136.9
Nevada	854	+151.2	825	29	1,924	+43.9
Oregon	17,370	+43.2	1,230	16,140	53,032	+19.1
Washington	10,125	+250.1	1,908	8,217	23,544	+27.1
Territories:						
Alaska	2	(¹)	2	0	22	(¹)
Hawaii	108	(¹)	108	0	431	+158.1

¹ Not computed, because less than 50 placements were made in either period.

² Increase of more than 1,000 percent.

³ Excludes 747 supplementary placements made in cooperation with the Arkansas State Employment Service in July and included in data for Arkansas.

⁴ Excludes 8,353 supplementary placements made in cooperation with the Arkansas State Employment Service in May, June, and July and included in data for Arkansas.

less in 38 States, and women registrants were fewer in 28 States. More than 1 million applications for work were received from men, a gain of 12 percent over August 1940; the 437,000 applications filed by women represented an increase of 18 percent.

Vocational Training Activities

A record volume of referrals and placements marked the defense vocational training activities of public employment offices in July. Referrals of workers to defense training courses increased 20 percent to more than 36,000, and placements of trainees advanced 18 percent to 7,200 (table 4). Primarily responsible for the expanded volume of referrals was the initiation of numerous summer defense courses. June graduating classes also swelled the supply of trainees, although not to the extent that was anticipated, because large numbers of graduates had little trouble in finding jobs. Placements increased because of the expanding needs of the aircraft industry, especially in the State of Washington. Jobs found by trainees through channels other than the public employment offices increased 17 percent to 10,200 in July, according to reports from cooperating local WPA offices and vocational schools.

The increase in placements during July was centered chiefly in Washington, where the aircraft industry absorbed 1,060 trainees, four times as many as were hired in the preceeding month. California and New York reported approximately 1,000 and 1,300 placements, respectively, and together with Washington accounted for nearly one-half of all placements. The recent tendency for placements of trainees from aviation-service courses to outnumber those from machine-shop courses became more pronounced in July, when placements from the former increased by 760 to 3,440, or nearly half of all placements, while placements from the latter courses remained practically unchanged at 2,200. Relatively little change occurred in the age and occupational distributions of trainee placements.

Referrals in California and New York increased 2,400 and 1,300, respectively, and accounted for more than a third of all referrals made during July. All courses, except aviation services, shared in the general expansion in referrals. New enrollments in aviation-service courses declined because of a temporary lag in the training needs of the

Table 4.—Placements of trainees from pre-employment refresher courses, by specified characteristic, July 1941 and January–July 1941

[Corrected to Sept. 11, 1941]

Characteristic	Placements	
	July 1941	January–July 1941
Total.....	7,209	39,639
Age (years):		
Under 21.....	2,278	10,251
21 to 24.....	1,775	11,066
25 to 44.....	2,789	16,227
45 and over.....	369	2,000
Unspecified.....	0	5
Race:		
White.....	7,140	39,301
Negro and other.....	69	333
Unspecified.....	0	5
Type of course taken:		
Aviation services.....	3,440	15,804
Drafting and blueprinting.....	55	533
Machine shop.....	2,233	15,165
Sheet-metal work.....	283	2,035
Welding.....	478	2,163
All other.....	720	3,849
Occupation in which placed:		
Professional and managerial.....	57	512
Clerical and sales.....	99	727
Service.....	73	303
Agriculture, fishery, and forestry.....	16	78
Skilled.....	2,109	12,974
Semiskilled.....	3,847	19,217
Unskilled.....	1,008	4,768
Unspecified.....	0	970

Kansas aircraft industry. Nevertheless, referrals to aviation-service courses in July were nearly twice as numerous as in any other month except June.

Acceptance of nonwhite applicants referred to defense training courses by public employment offices nearly doubled in July to a peak of approximately 1,000. Veterans were also accepted in greater numbers during the month.

Although the pre-employment refresher training program has been expanding steadily, it is confronted with a growing stringency of applicants. Because jobs are plentiful, most qualified persons are reluctant to take unpaid training. Even where jobs are relatively scarce, workers hesitate to undertake several months of training without compensation.

There is a growing tendency to induct women into the program, a development which will probably provide an increasingly important source of trainees. Pre-employment classes for women are already in progress or scheduled in a number of localities and generally include such courses as woodworking, light sheet-metal work, and light assembly and machine-shop work.

Another practice which is becoming more common, because of growing local stringencies of trainees, is training in one community where the supply of trainees is plentiful, in order to meet the demand in communities where an insufficient number of persons are available for training. Such training, however, is conducted under fairly strict control and generally only after it is demonstrated that local supplies of potential trainees have been fully utilized. Often, it also involves agreements from employers to hire the trainees after completion of the courses.

Insurance Activities

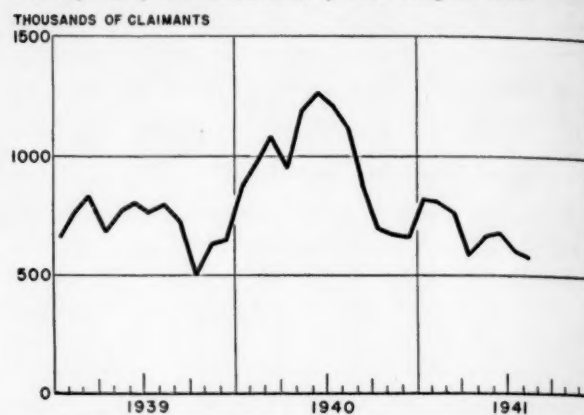
Unemployment benefit operations, as well as placement activities, reflect the tremendous expansion in employment arising out of the Nation's defense program. Despite increased lay-offs resulting from material and equipment shortages, fewer claims were filed and fewer benefit checks were issued in August than in any month since all States began the payment of unemployment compensation. This fact indicates that many of the lay-offs were of comparatively short duration, so that claimants returned to work before attaining compensable status, and also that the volume of new hiring was more than offsetting current lay-offs. A minimum of 677,000 workers received benefit checks during the month, compared with 1.3 million in August 1940.

In August 1941, workers were compensated for 2.4 million weeks of unemployment. So far this year, the total number of weeks compensated and the amount of benefits paid, as compared with the same month last year, have declined progressively, as shown below.

Year and month	Percentage change from 1940 in —	
	Number of weeks compensated	Amount of benefits paid
1941		
January.....	- 7.1	- 4.2
February.....	-24.6	-21.9
March.....	-31.2	-28.7
April.....	-38.8	-36.2
May.....	-45.7	-42.5
June.....	-46.0	-43.0
July.....	-50.1	-47.4
August.....	-51.6	-48.8

Weeks compensated.—Since the beginning of 1941, monthly changes in the volume of weeks compensated for partial and part-total unemployment combined have generally shown relatively

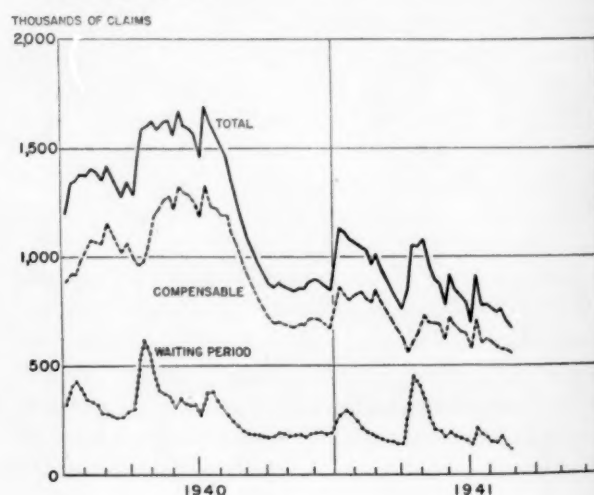
Chart 3.—Average weekly number of claimants drawing benefits, by month, January 1939–August 1941¹



¹ Benefits not payable in Illinois and Montana until July 1939.

smaller increases and larger decreases than changes in the volume of weeks compensated for total unemployment. This fact indicates that under-employment is becoming less prevalent as a result of the continued expansion of full-time employment. Partial and part-total unemployment accounted for 10 percent of all weeks compensated in the 48 States compensating this type in August; two of the major industrial States—New York and Pennsylvania—and Montana do not compensate such unemployment (table 5). Illinois, Oregon, and Wyoming were the only States in which more than a fifth of all weeks compensated were for partial and part-total unemployment. The large proportions in Illinois and Wyoming are

Chart 4.—Number of waiting-period and compensable continued claims received, for weeks ended in January 1940–August 1941



attributable to the substantial number of weeks for partial unemployment compensated in manufacturing industries in the former State and in bituminous-coal mining in both States. Many

coal mines in Illinois, usually operating at full employment, shut down periodically to absorb surplus coal stocks, which results in high volumes of partial and part-total unemployment.

Table 5.—Continued claims received, weeks compensated, and benefits paid, by State, August 1941

[Corrected to Sept. 20, 1941]

Social Security Board region and State	Continued claims ¹			Weeks compensated					Benefits paid				
	Number	Per- centage change from July	Compens- able	Number	Per- centage change from July	Type of unemployment			Amount ³	Per- centage change from July	Type of unemployment		
						Total	Partial and part- total com- bined ²	Partial only ²			Total	Partial and part- total com- bined ²	Partial only ²
Total.....	3,044,984	-16.0	2,443,835	2,437,953	-11.2	2,243,564	194,389	-----	\$26,482,777	-9.6	\$25,066,665	\$1,396,009	-----
Region I:													
Connecticut.....	22,698	-9.7	19,032	17,314	+21.5	16,196	1,118	1,035	184,671	+28.2	177,145	7,315	\$6,569
Maine.....	11,656	-28.9	10,286	10,080	-33.1	8,178	1,902	1,347	75,126	-30.7	62,615	12,511	9,216
Massachusetts.....	156,435	-24.1	133,035	139,874	-21.4	132,791	7,083	6,409	1,394,486	-21.1	1,354,962	38,128	33,807
New Hampshire.....	8,021	-21.4	5,858	5,869	-36.2	4,881	988	929	44,209	-37.2	39,657	4,552	4,149
Rhode Island.....	27,359	-26.6	24,723	24,723	-25.9	22,276	2,447	(⁴)	252,884	-22.5	239,683	13,201	(⁴)
Vermont.....	1,871	-23.8	1,487	1,490	-22.0	1,347	143	84	12,133	-20.7	11,377	716	367
Region II:													
New York.....	506,476	-43.2	405,883	427,726	-41.8	427,726	(⁴)	(⁴)	4,874,742	-42.1	4,874,742	(⁴)	(⁴)
Region III:													
Delaware.....	3,143	-21.6	2,873	2,840	-17.2	2,424	416	366	25,579	-14.4	22,944	2,611	2,337
New Jersey.....	144,906	-2.0	115,124	114,419	+10.8	103,537	10,882	(⁴)	1,387,968	+19.2	1,314,359	72,339	(⁴)
Pennsylvania.....	176,065	-31.4	122,465	123,636	-12.0	123,636	(⁴)	(⁴)	1,310,688	-12.7	1,310,688	(⁴)	(⁴)
Region IV:													
Dist. of Columbia.....	14,353	-6.5	12,295	11,896	-9.9	11,371	525	91	144,472	-2.6	138,711	5,613	935
Maryland.....	47,864	-15.7	44,178	42,600	-13.8	36,962	5,638	5,357	491,832	-9.7	449,663	41,860	39,327
North Carolina.....	58,894	-14.2	51,144	53,789	+8.1	50,682	3,107	2,697	338,853	+6.6	327,077	11,501	2,578
Virginia.....	32,394	-36.0	28,830	28,920	-35.7	27,719	1,201	368	230,275	-34.8	223,102	7,113	1,794
West Virginia.....	22,760	-46.8	20,036	21,788	-43.8	18,356	3,432	3,275	208,348	-44.0	179,716	28,632	27,697
Region V:													
Kentucky.....	16,058	-24.2	14,300	28,600	-24.7	25,698	2,902	1,206	202,622	-23.5	189,876	12,055	4,891
Michigan.....	314,120	+114.4	204,751	188,950	+143.0	184,375	4,575	4,018	2,700,397	+178.5	2,669,962	30,435	25,027
Ohio.....	111,569	-5.2	73,246	77,042	-1.4	68,149	8,893	(⁴)	706,265	+1.6	659,524	44,264	(⁴)
Region VI:													
Illinois.....	189,056	-28.0	171,403	183,021	-21.4	139,933	43,088	28,195	2,134,142	-23.0	1,796,575	331,482	201,708
Indiana.....	63,507	+38.4	46,688	46,646	+49.1	40,922	5,724	(⁴)	551,664	+62.7	515,386	36,218	(⁴)
Wisconsin.....	32,455	-2.0	23,702	24,490	+41.8	22,223	2,257	1,443	302,978	+47.6	285,125	17,853	10,675
Region VII:													
Alabama.....	47,117	-9.2	36,504	36,506	-4.5	34,258	2,248	218	252,420	-6.2	239,482	12,772	1,103
Florida.....	94,118	+3.8	80,022	78,466	+35.6	71,385	7,081	(⁴)	755,571	+30.4	706,634	48,937	(⁴)
Georgia.....	48,861	-2.0	34,655	35,454	+3.9	34,058	1,396	723	279,946	+12.9	272,134	7,812	4,105
Mississippi.....	19,786	-11.8	16,532	15,522	-15.5	14,613	909	497	122,874	-17.9	117,677	5,194	2,726
South Carolina.....	26,606	-4.3	22,742	20,848	+14.0	18,361	2,487	729	149,767	+17.0	137,275	12,482	3,159
Tennessee.....	68,242	+9.9	62,078	48,845	+1.2	47,229	1,616	348	405,340	+2.6	395,092	10,248	2,065
Region VIII:													
Iowa.....	20,995	-11.6	15,318	14,692	-13.2	12,293	2,399	786	126,630	-13.7	112,237	14,290	4,111
Minnesota.....	30,779	-21.0	26,482	27,261	-15.0	24,110	3,151	2,235	272,131	-12.5	246,551	25,580	17,988
Nebraska.....	6,947	-13.5	5,611	5,250	-16.4	4,786	464	171	46,354	-14.7	43,070	3,222	1,067
North Dakota.....	1,966	-35.7	1,690	1,801	-29.0	1,513	288	200	16,416	-29.0	14,141	2,275	1,561
South Dakota.....	2,286	-42.4	1,951	1,932	-44.9	1,670	262	(⁴)	14,365	-42.5	12,973	1,367	(⁴)
Region IX:													
Arkansas.....	40,215	+43.5	36,944	36,944	+111.8	35,449	1,495	411	250,471	+93.1	241,979	7,871	2,109
Kansas.....	17,189	+4.4	14,280	14,107	+7.8	12,886	1,221	598	135,704	+11.1	127,365	8,339	3,840
Missouri.....	66,485	+4.1	51,984	52,526	+50.0	47,087	5,439	4,748	498,323	+68.1	470,715	27,591	22,536
Oklahoma.....	18,717	-20.7	16,288	15,259	-15.0	13,612	1,647	111	151,933	-11.4	140,150	11,783	622
Region X:													
Louisiana.....	108,660	+7.8	87,544	78,671	+30.4	75,152	3,519	(⁴)	778,296	+37.8	750,538	27,011	(⁴)
New Mexico.....	5,955	-17.0	5,454	5,424	-1.1	5,130	294	103	46,260	-2.7	44,076	2,175	696
Texas.....	96,605	-6.2	85,652	59,296	-1.6	52,139	7,157	439	453,578	-5.5	419,288	34,154	1,542
Region XI:													
Arizona.....	7,190	-13.4	6,360	6,499	(⁴)	6,180	319	23	71,381	+5.8	68,568	2,813	156
Colorado.....	14,474	-22.7	12,509	12,839	-21.2	11,005	1,834	1,305	131,133	-20.5	117,707	13,347	8,817
Idaho.....	5,117	-28.8	4,416	4,305	-1.8	4,044	261	8	38,685	-5.9	36,565	2,117	76
Montana.....	10,184	-30.9	8,924	8,365	-27.0	8,365	(⁴)	(⁴)	86,692	-30.5	86,692	(⁴)	(⁴)
Utah.....	12,597	+39.9	11,226	10,040	+82.9	9,331	709	145	133,918	+93.8	126,456	7,462	1,423
Wyoming.....	2,733	-8.4	2,155	2,173	-10.6	1,414	759	604	23,687	-16.8	17,299	6,388	4,927
Region XII:													
California.....	269,079	-14.9	232,549	235,979	-11.7	200,978	35,001	20,648	3,276,174	-10.3	2,941,067	330,185	183,074
Nevada.....	3,252	-17.8	2,836	2,518	-18.5	2,362	156	38	33,013	-17.3	31,479	1,534	348
Oregon.....	11,454	-37.5	9,838	9,739	-32.3	7,440	2,299	1,493	109,590	-36.1	92,470	16,966	9,955
Washington.....	23,139	-23.4	17,996	19,198	-11.6	15,597	3,601	1,991	224,885	-12.6	191,684	33,201	19,300
Territories:													
Alaska.....	1,868	-1.2	1,356	1,262	-10.9	1,228	34	0	17,381	-12.1	17,008	373	0
Hawaii.....	699	-23.4	600	519	-31.5	497	22	15	5,535	-21.0	5,404	131	64

¹ Waiting-period claims are represented by difference between total number and number of compensable claims.

² Benefits for partial and part-total unemployment are not provided by State law in Montana, New York, and Pennsylvania.

³ Includes supplemental payments, not classified by type of unemployment.

⁴ Data for partial unemployment included with data for part-total unemployment.

⁵ Decrease of less than 0.05 percent.

Table 6.—Continued claims received for all types of unemployment,¹ by State, for weeks ended in August 1941

[In thousands; data corrected to Sept. 17, 1941]

Social Security Board region and State	Weekly average		Number for week ended—				
	Number	Per- centage change from July	Aug. 2	Aug. 9	Aug. 16	Aug. 23	Aug. 30
Type of unemploy- ment:							
All types.....	728.6	-8.6	762.9	741.2	756.4	709.2	673.6
Total only.....	663.1	-9.2	695.5	686.2	682.6	645.3	615.3
Partial and part- total.....	65.5	-2.5	67.4	68.2	70.2	63.9	58.3
All types							
Region I:							
Connecticut.....	5.4	+1.2	5.2	5.3	5.5	5.6	5.5
Maine.....	2.9	-25.0	3.3	3.0	2.8	2.6	2.6
Massachusetts.....	38.3	-14.7	40.8	38.7	38.1	37.6	36.4
New Hampshire.....	2.0	-21.4	2.0	2.0	1.8	1.9	2.1
Rhode Island.....	6.6	-24.4	7.0	6.6	6.5	6.4	6.5
Vermont.....	.4	-18.8	.5	.5	.4	.5	.4
Region II:							
New York.....	127.1	-37.2	157.0	133.5	122.5	112.3	110.2
Region III:							
Delaware.....	.8	-11.4	.8	.8	.8	.7	.7
New Jersey.....	34.4	+7.8	33.3	34.1	34.4	34.8	35.4
Pennsylvania.....	43.0	-21.6	46.0	41.4	41.8	43.0	43.0
Region IV:							
Dist. of Col.....	3.3	+5.8	3.4	3.4	3.3	3.2	3.2
Maryland.....	11.5	-8.9	11.7	11.9	11.4	11.5	10.9
North Carolina.....	14.0	-5.6	14.9	14.5	14.5	13.3	13.0
Virginia.....	7.8	-30.8	9.7	8.9	7.8	7.1	5.6
West Virginia.....	6.0	-37.3	8.9	6.3	5.5	4.7	4.5
Region V:							
Kentucky.....	3.8	-15.5	3.9	3.9	4.0	4.2	3.3
Michigan.....	71.1	+181.0	50.6	61.7	99.9	77.4	65.7
Ohio.....	26.0	-29.4	26.2	27.0	26.0	25.9	25.1
Region VI:							
Illinois.....	46.4	-20.1	53.4	49.0	46.8	42.4	40.2
Indiana.....	14.5	+53.0	12.8	15.8	17.3	15.5	11.4
Wisconsin.....	7.9	+14.8	8.0	7.5	8.1	7.9	8.0
Region VII:							
Alabama.....	11.0	-3.6	11.9	11.7	11.0	10.3	10.2
Florida.....	22.3	+16.9	21.4	22.9	21.9	23.5	21.7
Georgia.....	11.4	+4.0	11.2	11.7	11.5	10.9	11.7
Mississippi.....	4.7	-6.9	4.6	4.5	4.6	4.7	5.0
South Carolina.....	6.4	+11.6	6.3	7.7	5.7	6.9	5.3
Tennessee.....	15.6	+6.2	15.8	17.0	15.5	16.2	13.4
Region VIII:							
Iowa.....	5.1	+1.5	5.9	5.4	5.0	4.7	4.5
Minnesota.....	7.5	-14.4	8.0	7.6	7.4	7.2	7.2
Nebraska.....	1.6	-7.7	1.7	1.6	1.6	1.6	1.6
North Dakota.....	.5	-31.5	.6	.5	.5	.4	.5
South Dakota.....	.6	-41.0	.6	.6	.6	.5	.5
Region IX:							
Arkansas.....	9.6	+65.4	11.7	9.4	10.9	7.8	8.0
Kansas.....	4.0	+7.2	4.0	3.8	4.0	3.9	4.1
Missouri.....	15.6	+18.7	14.8	16.2	16.1	15.3	15.6
Oklahoma.....	4.5	-13.4	4.8	4.6	4.4	4.4	4.4
Region X:							
Louisiana.....	24.9	+13.8	26.3	26.3	26.1	25.3	20.5
New Mexico.....	1.4	-10.6	1.5	1.5	1.4	1.4	1.3
Texas.....	23.0	+2.4	23.9	23.4	23.1	22.5	22.0
Region XI:							
Arizona.....	1.7	-7.6	1.8	1.7	1.7	1.6	1.5
Colorado.....	3.4	-19.7	3.2	3.9	3.4	3.5	3.0
Idaho.....	1.2	-22.0	1.4	1.3	1.2	1.1	1.2
Montana.....	2.0	-36.4	.8	2.6	2.4	2.2	2.2
Utah.....	2.9	+58.2	2.6	3.2	3.1	3.0	2.6
Wyoming.....	.6	-13.8	.5	.8	.4	.7	.6
Region XII:							
California.....	64.2	-7.7	67.2	65.4	64.0	62.0	62.6
Nevada.....	.8	-12.3	.8	.8	.8	.8	.7
Oregon.....	2.8	-31.7	3.6	3.0	2.7	2.4	2.3
Washington.....	5.5	-17.2	6.1	5.7	5.7	5.3	5.0
Territories:							
Alaska.....	.4	-19.2	.3	.4	.4	.4	.5
Hawaii.....	.2	-23.5	.2	.2	.1	.2	.2

¹ Represents claims for total, partial, and part-total unemployment.

² Does not provide benefits for partial and part-total unemployment.

Table 7.—Average weekly number of claimants receiving benefits, number receiving first payments, and number exhausting benefit rights, by State, August 1941

[Corrected to Sept. 17, 1941]

Social Security Board region and State	Claimants re- ceiving bene- fits ¹		Claimants re- ceiving first payments		Claimants ex- hausting bene- fit rights	
	Average weekly number	Per- centage change from July	Number	Per- centage change from July	Number	Per- centage change from July
Total.....	571,868	-6.4	283,165	+5.7	133,327	-11.8
Region I:						
Connecticut.....	4,112	+40.6	2,688	-49.3	480	+5.7
Maine.....	2,524	-24.2	770	-28.2	695	-8.7
Massachusetts.....	31,048	-17.0	10,069	-36.0	6,655	-12.2
New Hampshire.....	1,448	-29.3	414	-28.7	267	-60.1
Rhode Island.....	5,960	-24.5	2,509	-24.1	1,950	-44.7
Vermont.....	350	-19.0	117	-27.3	104	-12.6
Region II:						
New York.....	108,122	-35.3	35,450	-37.3	39,652	-21.4
Region III:						
Delaware.....	690	-6.0	375	-24.2	169	-25.4
New Jersey.....	26,184	+16.6	17,380	+36.8	5,155	-2.0
Pennsylvania.....	29,639	-4.0	14,539	-11.8	8,762	-8.0
Region IV:						
Dist. of Col.....	2,741	+7.5	991	+32.8	491	-22.9
Maryland.....	9,747	-10.8	4,535	-4.5	2,695	-21.4
North Carolina.....	12,249	+10.9	5,004	-12.8	1,837	-29.0
Virginia.....	7,109	-29.5	1,896	-30.1	3,546	+35.0
West Virginia.....	5,542	-35.9	1,710	-39.9	2,738	+280.8
Region V:						
Kentucky.....	6,841	-15.4	1,772	-22.4	1,778	+51.7
Michigan.....	41,043	+167.0	64,886	+235.4	2,221	-15.7
Ohio.....	18,224	-24.4	7,270	+13.9	2,418	-22.9
Region VI:						
Illinois.....	43,800	-14.8	19,420	-15.8	11,365	-21.2
Indiana.....	10,517	+60.9	(²)	(²)	(²)	(²)
Wisconsin.....	5,852	+83.4	(²)	(²)	(²)	(²)
Region VII:						
Alabama.....	8,466	-5	3,072	+14.8	1,108	-7.6
Florida.....	17,805	+45.2	9,090	+4.4	2,139	+8
Georgia.....	8,188	+8.0	3,135	+20.6	1,598	+5.8
Mississippi.....	3,633	-11.3	1,437	-9.7	753	-11.7
South Carolina.....	4,760	+19.8	2,743	+29.2	601	-4.9
Tennessee.....	11,398	+9.1	4,403	-8.4	1,957	+16.3
Region VIII:						
Iowa.....	3,549	-5.2	1,626	-5.6	927	-24.3
Minnesota.....	6,450	-9.9	2,131	-10.5	1,326	-27.5
Nebraska.....	1,279	-6.6	492	-7.5	234	-35.5
North Dakota.....	419	-28.1	127	-24.4	78	-38.6
South Dakota.....	462	-42.7	154	-26.3	203	-46.2
Region IX:						
Arkansas.....	8,712	+159.2	5,786	-13.7	1,553	+437.4
Kansas.....	3,174	+9.1	1,639	+33.8	592	+6.8
Missouri.....	11,777	+58.0	7,523	+33.0	3,324	+34.8
Oklahoma.....	3,700	-6.2	1,799	-22.2	1,049	-39.4
Region X:						
Louisiana.....	18,057	+40.0	9,114	+5	3,583	-3.0
New Mexico.....	1,245	-4.4	460	-16.5	246	+4.7
Texas.....	13,816	+3.9	7,270	+1.4	4,740	+4.4
Region XI:						
Arizona.....	1,493	+4.2	723	-17.9	533	+83.2
Colorado.....	2,959	-21.9	754	-33.2	557	-6.8
Idaho.....	984	-1.2	352	-42.5	260	-15.6
Montana.....	1,673	-33.5	534	-34.9	612	-2.7
Utah.....	2,357	+143.0	1,216	-44.1	4	-97.4
Wyoming.....	497	-11.1	(²)	(²)	1,393	+17.8
Region XII:						
California.....	53,547	-9.0	21,955	+25.3	8,949	-5.9
Nevada.....	601	-10.8	193	-15.0	101	-45.1
Oregon.....	2,251	-32.2	1,124	-46.8	940	-23.7
Washington.....	4,494	-2.6	2,402	+24.1	894	-13.7
Territories:						
Alaska.....	257	-26.4	120	+8	68	+54.5
Hawaii.....	123	-30.5	56	-8.2	27	-59.1

¹ Represents average number of weeks of unemployment compensated during weeks ended within month.

² Excludes Indiana, Wisconsin, and Wyoming.

³ Excludes Indiana and Wisconsin.

⁴ Represents claimants exhausting benefit rights under uniform-duration provisions of State law.

⁵ Data not comparable.

⁶ Data not reported.

Benefit payments.—A total of \$26.5 million was paid in benefits during August, 9.6 percent less than in July and approximately half the volume for August a year ago (table 5). Despite the over-all decrease in payments, 17 States paid more benefits than in July. These 17 included the major industrial States of Michigan, Indiana, Connecticut, New Jersey, and Ohio. Seasonal lay-offs in the automobile industry were mainly responsible for the increases in Michigan and Indiana; the lay-offs were largely concentrated in the cities of Flint, Detroit, Lansing, and Pontiac in Michigan and in South Bend, Indianapolis, and Anderson in Indiana. In Connecticut, as well as Michigan, the increase was also

Chart 5.—Number of weeks compensated, by type of unemployment, for weeks ended in January 1940–August 1941

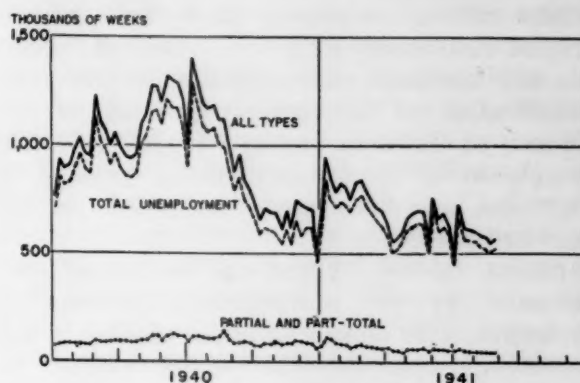


Table 8.—Collections deposited in State clearing accounts, January–August 1941, and funds available for benefits as of August 31, 1941, by State

[In thousands; data corrected to Sept. 20, 1941]

Social Security Board region and State	Collections deposited January–August 1941 ¹		Transfers to railroad unemploy- ment insurance account, as of Aug. 31, 1941	Funds available for benefits, as of Aug. 31, 1941 ²	Social Security Board region and State	Collections deposited January–August 1941 ¹		Transfers to railroad unemploy- ment insurance account, as of Aug. 31, 1941	Funds available for benefits, as of Aug. 31, 1941 ²
	Amount	Percentage change from January– August 1940				Amount	Percentage change from January– August 1940		
Total.....	\$721, 187	+15. 0	\$105, 901	\$2, 302, 863	Region VII—Continued.				
Region I:					South Carolina.....	\$4, 497	+31. 4	\$691	\$15, 089
Connecticut.....	17, 486	+24. 7	792	58, 761	Tennessee.....	7, 794	+23. 1	1, 527	18, 954
Maine.....	3, 496	+17. 1	255	6, 454	Region VIII:				
Massachusetts.....	33, 359	+15. 4	2, 313	99, 663	Iowa.....	6, 162	+7. 3	2, 122	20, 871
New Hampshire.....	2, 255	+9. 8	238	7, 587	Minnesota.....	7, 885	-15. 9	2, 517	26, 424
Rhode Island.....	9, 554	+29. 5	152	18, 794	Nebraska.....	1, 501	-29. 7	1, 082	9, 921
Vermont.....	1, 235	(³)	327	4, 108	North Dakota.....	513	(³)	577	2, 201
Region II:					South Dakota.....	596	-25. 7	403	3, 513
New York.....	105, 499	+10. 9	6, 858	261, 726	Region IX:				
Region III:					Arkansas.....	2, 717	+8. 7	1, 088	7, 575
Delaware.....	2, 006	+11. 6	461	8, 676	Kansas.....	3, 974	+14. 8	2, 725	10, 806
New Jersey.....	44, 219	+22. 6	4, 269	167, 467	Missouri.....	17, 143	+16. 2	4, 871	72, 665
Pennsylvania.....	69, 930	+11. 4	6, 609	185, 222	Oklahoma.....	4, 859	+3. 2	1, 001	19, 063
Region IV:					Region X:				
Dist. of Col.....	4, 644	(³)	790	23, 039	Louisiana.....	7, 354	(³)	1, 180	20, 536
Maryland.....	11, 876	+26. 2	1, 195	29, 834	New Mexico.....	1, 108	+6. 8	515	3, 000
North Carolina.....	8, 297	+12. 1	1, 103	30, 817	Texas.....	11, 263	(³)	4, 227	62, 539
Virginia.....	7, 451	+9	2, 454	24, 790	Region XI:				
West Virginia.....	7, 140	+2. 7	1, 002	24, 087	Arizona.....	1, 813	+13. 6	338	4, 396
Region V:					Colorado.....	3, 652	+4. 5	1, 528	11, 899
Kentucky.....	8, 927	+11. 3	2, 752	37, 018	Idaho.....	1, 580	+12. 8	373	3, 025
Michigan.....	49, 441	+30. 2	1, 932	111, 312	Montana.....	2, 155	+8. 8	1, 186	5, 430
Ohio.....	52, 306	+19. 3	8, 535	206, 993	Utah.....	2, 197	+9. 8	517	5, 319
Region VI:					Wyoming.....	930	+10. 9	602	2, 495
Illinois.....	57, 804	+9. 6	13, 841	229, 662	Region XII:				
Indiana.....	19, 173	+21. 6	3, 190	60, 161	California.....	65, 654	+16. 2	7, 804	185, 428
Wisconsin.....	7, 532	+3. 6	1, 964	63, 472	Nevada.....	776	+13. 8	357	1, 303
Region VII:					Oregon.....	5, 742	+18. 9	590	13, 964
Alabama.....	8, 068	+12. 3	23, 257	23, 257	Washington.....	9, 435	+18. 6	1, 675	27, 097
Florida.....	6, 170	+25. 6	1, 509	15, 008	Territories:				
Georgia.....	7, 620	+18. 6	2, 439	29, 166	Alaska.....	525	+53. 5	13	1, 464
Mississippi.....	2, 425	+26. 9	642	5, 309	Hawaii.....	1, 419	+5. 5	80	8, 003

¹ Represents contributions plus such penalties and interest collected from employers and contributions from employees as are available for benefit payments. Figures are adjusted for refunds of contributions and for dishonored contribution checks. Employer contributions of 2.7 percent of taxable wages are collected in all States except Michigan, where rate is 3 percent. Employee contributions of 1.5 percent of taxable wages are collected in Rhode Island and of 1 percent in Alabama, California, Kentucky, and New Jersey. Contributions are collected on monthly basis in North Carolina, West Virginia, and Wisconsin. All other States collect, either wholly or in part, on quarterly basis.

² Represents sum of balances at end of month in State clearing account, benefit-payment account, and unemployment trust fund account maintained in the U. S. Treasury. Figures are adjusted for transfers to railroad unemployment insurance account.

³ Excludes District of Columbia, Louisiana, North Dakota, Texas, and Vermont. See footnote 4.

⁴ Not computed, because data for States that shifted either wholly or in part from a monthly to a quarterly contribution basis during 1940 or 1941 are not comparable.

due in part to the initiation of new benefit years in July by many claimants.

Benefit payments so far this year have totaled \$252.4 million, 35 percent below the January-August 1940 total. Only the District of Columbia and Louisiana paid more benefits this year. Modification of the benefit provision of the District of Columbia law and lay-offs following completion of defense construction projects in Louisiana have been largely responsible for the increased payments.

Claims received.—There was an over-all decrease of 16 percent in continued claims received in August, with almost all States sharing in the reduction (table 5). The weekly average of 729,000 claims for the month represented an 8.6-percent decrease from July, and was the lowest average for any month to date (table 6). Receipts more than doubled in Michigan, however, and increased 38-44 percent in Arkansas, Indiana, and Utah. Gains were also reported by Florida, Kansas, Louisiana, Missouri, and Tennessee. From the first to the last week ended in August, the number of persons filing claims dropped from 763,000 to 674,000—the lowest weekly average on record.

Average number of claimants.—With a reduction of 6.4 percent from July, the average weekly total of 572,000 benefit recipients in August represented the lowest figure for any month since October 1939 (table 7). In the last week of August only 564,000 claimants were receiving benefits, 442,000 less than in the same period of last year.

Status of Funds

With pay rolls rising to an unprecedented high level, collections deposited in State clearing accounts thus far this year have totaled \$721.2 million, \$88.5 million above deposits for the first 8 months of 1940 (table 8). Collections deposited during July and August, based on pay rolls for the second quarter of 1941, were significantly higher than the amount received in the entire preceding quarter, and were 27 percent above receipts for the corresponding 2-month period of 1940. This increase was in marked contrast to the experience of the previous year. In Alaska, collections were 54 percent above January-August 1940 and in Michigan, Rhode Island, and South Carolina, approximately 30 percent. Collections were lower only in Minnesota, Nebraska, and South Dakota;

these reductions, ranging from 16 to 30 percent, resulted largely from modification of tax rates due to experience rating.

Characteristics of Placements, Second Quarter, 1941

The 1.4 million jobs filled by public employment offices in April-June 1941 totaled more than in any other 3-month period since 1935. In that year, however, the bulk of placements were on public works and work-relief projects; therefore the volume of jobs filled in privately managed enterprises during April-June of this year is undoubtedly the highest recorded in the history of the United States Employment Service.

Placements this quarter were 30 percent higher than in January-March 1941 and 45 percent higher than in April-June 1940. The sharpest increases from a year ago occurred in manufacturing and construction. If both these industry groups were excluded from the totals, the increase would have been only about three-fifths that recorded for all industries combined.

Industrial characteristics.—Placements in manufacturing reached an all-time high of 301,000 during the quarter (table 9), reflecting more than for any other industry, with the possible exception

Table 9.—Complete placements of men and women, by industry and race, April-June 1941

[Corrected to Aug. 30, 1941]

Industry	Total		Men		Women	
	Number	Per- age change from Janu- ary- March 1941	Total	White	Total	White
Total.....	1,414,093	+30.5	895,209	738,466	518,884	391,029
Agriculture, forestry, and fishery.....	92,209	+174.1	78,908	67,330	13,301	8,489
Mining.....	6,974	+22.8	6,781	6,304	193	188
Construction.....	231,131	-7.6	229,781	181,665	1,350	1,305
Manufacturing.....	300,960	+32.6	207,935	194,699	93,025	88,698
Transportation, commu- nication, and other pub- lic utilities.....	39,722	+35.2	37,260	31,543	2,462	2,416
Wholesale and retail trade.....	234,393	+42.7	129,516	108,219	104,877	101,784
Finance, insurance, and real estate.....	12,605	+35.2	7,559	6,146	5,046	4,806
Service industries.....	492,973	+35.8	194,506	139,718	298,467	183,198
Domestic service.....	321,772	+41.7	88,832	59,765	232,940	124,968
Regular Government agencies.....	25,153	+27.0	21,581	15,630	3,572	3,269
Government relief projects.....	21,858	+2.8	13,158	11,299	8,700	7,677
Other service.....	124,190	+31.0	70,935	53,024	53,255	47,279
Establishments not else- where classified.....	3,126	+117.5	2,963	2,842	163	159

Table 10.—Placements in selected defense industries, by quarter, October 1940–June 1941

Industry	October-December 1940	January–March 1941		April–June 1941	
	Number of placements	Number of placements	Percentage change from previous quarter	Number of placements	Percentage change from previous quarter
Total, 20 selected industries.....	79,388	99,106	+25	135,220	+36
Total, 5 industries.....	53,238	73,799	+39	100,964	+37
Aircraft and parts.....	10,859	17,499	+61	22,246	+27
Electrical machinery.....	8,510	11,517	+35	18,004	+56
Iron and steel and their products.....	16,019	18,425	+15	25,525	+39
Nonelectrical machinery.....	14,042	19,340	+38	23,643	+22
Shipbuilding.....	3,808	7,018	+84	11,546	+65

of construction, the stimulation of economic activity under the national defense program. These placements were 108 percent above the level of April–June 1940 and 157 percent more than in April–June 1939, greater gains than for any other industry division. Although construction placements declined somewhat from the previous quarter, they were 64 percent greater than a year ago. With the exception of agriculture, forestry, and fishery, increases from a year ago in all other industry divisions exceeded 24 percent. The decline of 18 percent in agricultural placements is attributable to adverse weather conditions in some sections of the country and to an increasing reliance on mechanized equipment and family labor; the latter reflects an adjustment to increased farm wages and a more limited labor supply.

Increasing steadily since November 1940, placements in selected defense industries numbered 135,000 during the quarter and comprised 45 percent of all manufacturing placements, virtually the same proportion as in the previous quarter. Nineteen of the 20 selected defense industries shared in the April–June gain. As in January–March, the five major defense manufacturing industries accounted for three-fourths of the placements in this selected group (table 10). The largest gain was recorded for shipbuilding, but iron and steel products and nonelectrical machinery continued to provide the two largest sources of job opportunities.

Occupational characteristics.—Increases in placements from January–March were reported for all

occupational groups, with the exception of skilled workers (table 11). A reduction of 34 percent in the number of carpenters placed was the major factor contributing to the decline in placements of skilled workers. The demand for carpenters slackened considerably with the completion of construction at Fort Leonard Wood in Missouri; of Fort Bragg, Camp Davis, and the Douglas Air Base in North Carolina; and Fort Bliss and the Corpus Christi Naval Base in Texas. The largest gain—176 percent—was recorded in agriculture, forestry, and fishery, in which large numbers of farm hands were engaged in Alabama, Colorado, Idaho, and Washington; in general, all States reported substantial seasonal increases. Placements in service occupations increased 38 percent to 471,000 and were largely concentrated in the Great Lakes and Middle Atlantic areas, the District of Columbia, and California. Increased accessions of day workers, housemen, yardmen, and kitchen workers in hotels, restaurants, railroads, and steamships, for example, were mainly responsible for the rise.

Semiskilled and unskilled placements were 21 percent and 29 percent higher than in the preceding quarter. The demand for chauffeurs and drivers and for workers in laundering, cleaning, and dyeing occupations contributed significantly to the increase in the semiskilled group. Placements in occupations in the fabrication of textile products, however, declined 14 percent, largely as a result of seasonal curtailments in New York. In the unskilled category, where total placements

Table 11.—Complete placements of men and women, by occupation and race, April–June 1941

[Corrected to Aug. 30, 1941]

Occupation	Total ^c		Men		Women	
	Number	Percentage change from January–March 1941	Total	White	Total	White
Total.....	1,414,093	+30.5	895,200	738,466	518,884	391,029
Professional and managerial.....	10,153	+8.6	8,068	7,998	2,085	2,015
Clerical and sales.....	155,714	+18.9	56,468	55,711	99,246	98,758
Service.....	470,904	+37.6	166,627	110,304	304,277	189,563
Agricultural, forestry, and fishery.....	103,487	+175.9	87,986	74,256	15,501	10,527
Skilled.....	126,647	–4.2	117,879	114,512	8,768	7,739
Semiskilled.....	158,200	+20.5	107,421	101,021	48,779	44,744
Unskilled.....	390,628	+29.4	350,465	274,369	40,163	37,621
Unspecified.....	360	—	295	295	65	62

Table 12.—Complete placements of men and women, by age and race, April–June 1941

[Corrected to Aug. 30, 1941]

Age (years)	Total		Men		Women	
	Number	Percentage change from January–March 1941	Total	White	Total	White
Total.....	1, 414, 093	+30. 5	895, 209	738, 466	518, 884	391, 029
Under 21.....	284, 153	+56. 3	165, 662	142, 794	118, 491	102, 795
21–24.....	233, 394	+15. 8	144, 603	116, 990	88, 791	69, 427
25–29.....	203, 249	+17. 4	132, 076	104, 839	71, 173	49, 641
30–34.....	160, 883	+21. 1	103, 413	82, 142	57, 470	38, 724
35–39.....	140, 993	+28. 9	88, 299	70, 476	52, 694	35, 712
40–44.....	126, 543	+29. 6	78, 709	64, 224	47, 834	32, 212
45–49.....	105, 000	+34. 6	68, 882	57, 744	36, 118	26, 754
50–54.....	74, 206	+40. 0	49, 612	42, 830	24, 594	18, 375
55–59.....	47, 747	+45. 8	34, 355	30, 191	13, 392	10, 453
60–64.....	24, 116	+53. 5	18, 091	16, 388	6, 025	4, 972
65 and over.....	10, 728	+55. 3	8, 867	7, 610	1, 861	1, 546
Unspecified.....	3, 081	.....	2, 640	2, 238	441	418

numbered 391,000, the most significant groups accounting for the gain were those engaged in canning, construction, trades and services, and the nonprocess occupations in manufacturing. Canning operations were extremely active in Alaska, California, Maryland, Mississippi, and the North Central States. Considerable activity also prevailed in New York, Massachusetts, Pennsylvania, and the Great Lakes States in the nonprocess manufacturing, trade, and service occupations. Although completed Army projects in North Carolina and Texas released many construction workers, there was a large gain in the number of unskilled placements in construction occupations for the country as a whole, probably on highways and other nondefense activities. In view of the stringencies in labor supply caused by the accelerated demand in defense occupations, the gain in placements of semiskilled and unskilled workers in contrast to the decline in placements of skilled workers probably in part reflects increased hiring of less skilled workers by industrial plants which have filled many skilled and semiskilled jobs through upgrading.

Personal characteristics.—There is no evidence that any general relaxation of employer restrictions has occurred with respect to older workers, women, and nonwhite workers. From the standpoint of age preference the only significant change occurred in the group under 21, which represented 20 percent of all placements as compared with 17 percent in April–June 1940. On the other hand,

placements in the age group 21–29 decreased from 34 to 31 percent; it is unlikely that employer preference for workers outside of the selective service age limits was a decisive factor, since the decline is shared by women as well as men (table 12).

The share of jobs going to women has been decreasing, although the number has increased absolutely. Women filled 31 percent of the jobs in manufacturing as compared with 37 percent in the same period last year. Similarly, placements of women in wholesale and retail trade declined from 49 percent to 45 percent. In service, finance, insurance, and real estate, however, the proportion of women placements has increased slightly.

Despite the increased demand for labor, a decline from the corresponding quarter of 1940 occurred in the relative proportion of jobs filled by nonwhite workers. Although the over-all decrease of nonwhite placements as a percent of total placements was small, it concealed marked variations in specific industry divisions. The proportion of nonwhite placements to total placements is shown in the following tabulation:

Industry division	1940	1941
Total.....	21	20
Agriculture.....	24	18
Construction.....	19	21
Manufacturing.....	10	6
Transportation.....	20	15
Trade.....	10	10
Finance.....	15	13
Service.....	30	34
Domestic service.....	35	43

Placements of nonwhite workers in manufacturing, transportation, and agriculture showed the sharpest relative declines. On the other hand, the service industry, comprised primarily of domestic workers, showed a substantial increase, indicating the shift of white workers into industrial jobs or their reluctance to work at current standards of wages and hours in the service industry and their replacement by nonwhite workers.

The largest proportion of nonwhite workers was placed in service occupations, mostly as day workers, maids, housemen, and yardmen; in agriculture, placements of nonwhite workers as vegetable farm hands were especially numerous. Among the skilled and semiskilled groups, occupations concerned with the fabrication of textile products, and cleaning and dyeing establishments, offered the most job opportunities, while in the

unskilled group at least two-thirds of the placements were in construction.

Geographic distribution.—A pronounced increase in placements of 72 percent from April-June 1940 was reported for 15 leading industrial States, where the bulk of defense activities is occurring, as compared with an increase of only 22 percent for all other States. The gain among the 15 States was shared by each State; only West Virginia and Michigan reported increases of less than 50 percent. Among the less industrialized States, the defense program was also the dominant factor accounting for large gains. Thus, in Florida, Kansas, Louisiana, Maine, South Carolina, and Tennessee, increases in excess of 65 percent were largely attributable to construction of Army cantonments, airports, and ordnance plants.

Only 6 States reported declines from a year ago, with the largest reductions, 33 and 25 percent, occurring in Washington and Oklahoma, respectively. A strike in the logging industry was mainly responsible for the decline in Washington, and a sharp reduction in agricultural placements was a contributing factor in Oklahoma.

Clearance.—Interarea clearance placements, totaling approximately 28,000, were about half those of the previous quarter. As in January-March, most of these placements were concentrated in construction, and represented the special service given contractors engaged in constructing defense military projects in rural areas where local supplies of labor were inadequate. Of the 4,100 interarea placements made in manufacturing, almost 90 percent were in defense industries; only 1,800 interarea clearance placements were made in manufacturing in the previous quarter. Half of the interarea placements were filled by unskilled workers and approximately one-third by workers in the skilled crafts, each a slightly smaller proportion than in January-March.

There is a relatively greater degree of qualification for and acceptance of interarea jobs by those in the age groups 25-34 than in any other age interval. Thus, 32 percent of all clearance jobs were filled by men and women between these ages whereas they filled only 26 percent of all placements made by public employment offices. Conversely, those under 21 filled 11 percent of clearance jobs, although they accounted for 20 percent of total placements. The greater fluidity of movement among workers between 25 and 34

than those under 21 undoubtedly lies in their greater accumulation of skills and experience.

Size of Benefit Payment for Total Unemployment, Second Quarter, 1941

Although 19 percent fewer persons received benefits in the second quarter than in the first quarter of the year, virtually the same proportion of checks at the higher benefit levels were issued to totally unemployed workers in April-June 1941 as in the previous quarter (table 13), which was the high for all periods of 1940 and 1941. The size of the benefit payment has gradually increased during the past year, reflecting higher wage rates and longer working hours with consequent greater base-period earnings, as well as liberalizing amendments in many State unemployment compensation laws. Accordingly, the proportion of payments issued at the lower benefit levels has declined.

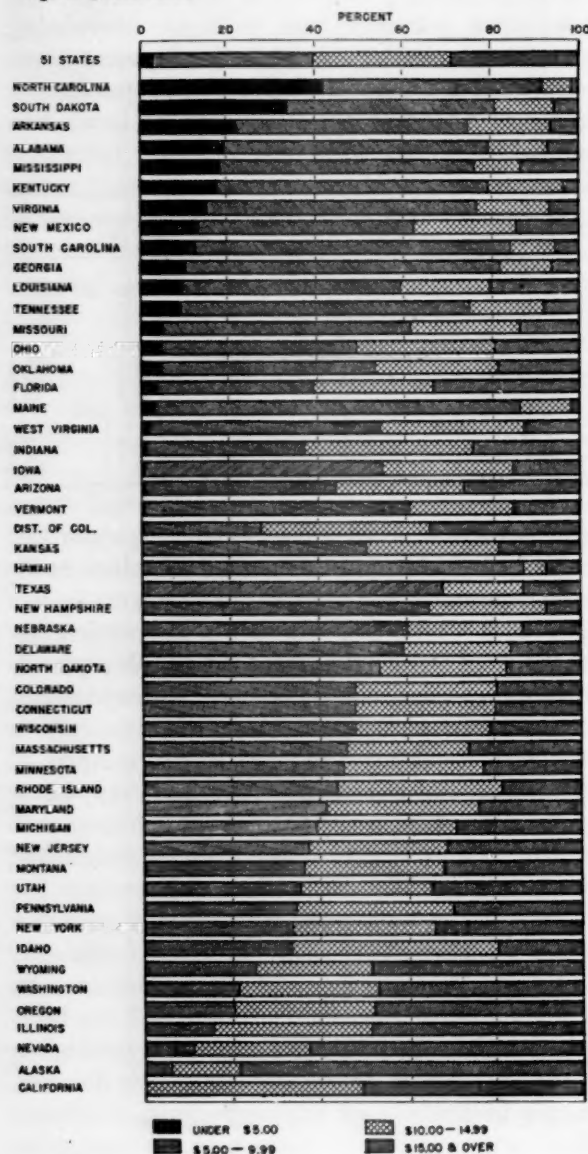
Year and quarter	Percent of weeks compensated by payments of—		
	Less than \$10	\$10 or more	\$15 or more
1940			
April-June.....	44.9	55.1	25.3
July-September.....	44.6	55.4	27.3
October-December.....	41.9	58.1	28.1
1941			
January-March.....	39.6	60.4	29.8
April-June.....	39.9	60.1	28.9

Increases over April-June 1940 in the proportion of checks issued for \$10 or more took place in 33 States; the most pronounced changes were in the District of Columbia, where the proportion increased from 34 to 72 percent, and in Maryland, where it rose from 36 to 58 percent. Amendments to the District of Columbia law, effective July 1, 1940, and the Maryland law, effective April 1, 1941, which liberalized the method of computing benefits as well as the legal minimums and maximums were largely responsible for the higher benefit levels. The proportion of payments for \$10 or more also increased substantially over the second quarter of 1940 in Florida, Louisiana, Mississippi, New Jersey, and West Virginia. In all these States, the benefit formulas have been revised within the past year to provide for higher payments. Apart from administrative factors, changes in the size of payments within a State reflect wage scales of claimants in industries

curtailing employment at different times during the year. The increases in these States are probably due also to lay-offs of thousands of construction workers with the completion of industrial and military defense projects.

Among the declines from the April-June 1940 level, the largest occurred in Hawaii, where the proportion of payments for \$10 or more dropped from 27 to 13 percent. The Great Lakes area, with the exception of Illinois, also reported a decline. This area has had a large expansion in defense activities, bringing greater job opportuni-

Chart 6.—Distribution of weeks compensated for total unemployment by amount of benefit check, by State, April-June 1941



ties to the higher-paid workers and leaving the lower-paid workers, presumably from nondefense industries, to form a relatively larger proportion of the claimant group.

As in previous periods, more than a third of the payments for total unemployment were issued in amounts from \$5 up to \$10. In 21 States, particularly in the Southeast and Gulf and Central areas, checks of this size comprised at least half of all payments. Benefit payments of less than \$5 were made for only 3 percent of all weeks compensated, the smallest proportion thus far.

In 17 States the proportion of checks issued in amounts of \$10 or more was higher than the 60-percent average for the country as a whole. All payments in California, which has a \$10 minimum, and between 72 and 94 percent of payments in Alaska, the District of Columbia, Illinois, Nevada, Oregon, Washington, and Wyoming were in the interval of \$10 or more. With the exception of the District of Columbia, each of these States uses $\frac{1}{2}$ of high-quarter earnings to compute weekly benefit amounts, whereas in most other States benefits are calculated on the basis of $\frac{1}{3}$ to $\frac{1}{4}$ of total wages during the quarter of highest earnings. At the other extreme, fewer than 20 percent of all checks in Georgia, Hawaii, Maine, North Carolina, South Carolina, and South Dakota were issued in denominations of \$10 or more.

The concentration of lower payments in the North Central, Southeast and Gulf, and Southwest States is largely attributable to lower prevailing wage rates and to the methods used in computing weekly benefit amounts. Benefit payments were less than \$5 for 42 percent of all weeks compensated in North Carolina and ranged from 15 to 34 percent of all weeks compensated in Alabama, Arkansas, Kentucky, Mississippi, South Dakota, and Virginia. In most of these States the proportion of small payments has been virtually as high during the past year.

The annual-earnings plans used in determining weekly benefit amounts are partly responsible for the large proportion of payments of less than \$10 in Kentucky, Maine, North Carolina, South Dakota, and West Virginia. Unlike the other States which base the weekly benefit amount on high-quarter earnings, these States weight high-quarter earnings by lower earnings or no earnings at all in the other 3 quarters of the year; consequently, the weekly benefit rate, which is estab-

lished as a percentage of annual wages earned, is lower than in States using other methods. Checks for less than \$10 comprised 92 percent of all pay-

ments in North Carolina, approximately 80 percent or more in Kentucky, Maine, and South Dakota, and 55 percent in West Virginia. Eight

Table 13.—Percentage distribution of number of weeks of total unemployment compensated by amount of benefit payment, and proportion at minimum and maximum benefit payable, by State, April-June 1941

[Corrected to Aug. 20, 1941]

Social Security Board region and State	Total number of weeks compensated	Percent of weeks compensated ¹ in amounts of—				Minimum weekly benefit		Maximum weekly benefit	
		Less than \$5.00	\$5.00-9.99	\$10.00-14.99	\$15.00 or more	Amount	Percent of total weeks compensated	Amount	Percent of total weeks compensated
Total	7,697,343	3.0	36.9	31.3	28.8				
Region I:									
Connecticut	42,382		48.2	32.1	19.7	\$5.00	0.4	\$15.00	19.7
Maine	57,631	3.1	83.3	10.7	2.9	\$5.00	37.2	15.00	2.9
Massachusetts	454,546		46.4	27.7	25.9	6.00	17.4	15.00	25.9
New Hampshire	39,077		65.1	26.9	8.0	\$6.00	21.3	15.00	8.0
Rhode Island	117,004		44.1	37.9	18.0	6.00	.2	16.00	14.9
Vermont	10,915	.7	60.4	23.1	15.8	\$5.00	1.6	15.00	15.8
Region II:									
New York	1,584,484		33.9	32.3	33.8	7.00	16.9	15.00	33.8
Region III:									
Delaware	10,615		59.8	24.2	16.0	5.00	17.2	15.00	16.0
New Jersey	272,628		37.1	32.2	30.7	\$7.00	11.1	18.00	11.5
Pennsylvania	665,946		34.7	35.7	29.6	7.50	19.9	15.00	29.6
Region IV:									
District of Columbia	42,624	.1	27.6	38.2	34.1	\$6.00	6.5	18.00	21.4
Maryland	136,876		41.8	35.0	23.2	\$7.00	19.7	17.00	16.5
North Carolina	151,300	41.6	50.3	6.4	1.7	\$3.00	11.3	15.00	1.7
Virginia	112,154	15.2	61.4	16.5	6.9	3.00	6.4	15.00	6.9
West Virginia	87,579	1.3	53.4	32.1	13.2	\$6.00	16.8	15.00	13.2
Region V:									
Kentucky	89,998	17.6	61.6	17.4	3.4	\$4.00	6.0	\$15.00	3.4
Michigan	188,521		39.2	32.1	28.7	6.00	.8	16.00	24.3
Ohio	282,241	4.8	44.3	31.6	19.3	None		15.00	19.3
Region VI:									
Illinois	524,256		15.5	36.3	48.2	7.00	4.7	16.00	42.2
Indiana	77,190	1.1	36.2	38.1	24.6	3.00	.2	15.00	24.6
Wisconsin	37,570		48.2	30.8	21.0	6.00	15.2	\$15.00	18.6
Region VII:									
Alabama	110,228	19.6	59.5	13.6	7.3	\$2.00	4.0	15.00	7.3
Florida	93,207	3.3	36.3	27.2	33.2	3.00	.7	15.00	33.2
Georgia	94,405	10.3	71.4	12.1	6.2	\$4.00	7.5	18.00	1.1
Mississippi	55,341	18.4	57.6	10.6	13.4	\$3.00	8.4	15.00	13.4
South Carolina	44,771	12.3	71.8	10.0	5.9	3.00	4.6	15.00	5.9
Tennessee	136,194	9.2	65.6	17.1	8.1	4.00	9.2	15.00	8.1
Region VIII:									
Iowa	58,103	.9	53.8	29.8	15.5	None		15.00	15.5
Minnesota	163,015		45.8	31.7	22.5	5.00	9.3	15.00	22.5
Nebraska	30,069		60.1	26.8	13.1	5.00	16.7	15.00	13.1
North Dakota	13,837		54.0	28.9	17.1	5.00	13.7	15.00	17.1
South Dakota	12,223	33.8	46.8	13.7	5.7	\$3.00	4.4	15.00	5.7
Region IX:									
Arkansas	105,822	22.3	52.3	19.1	6.3	3.00	12.7	15.00	6.3
Kansas	38,283	(²)	51.3	29.8	18.9	\$5.00	18.2	15.00	18.9
Missouri	104,529	5.0	56.9	24.6	13.5	2.00	.5	15.00	13.5
Oklahoma	67,250	4.6	48.6	28.0	18.8	None		15.00	18.8
Region X:									
Louisiana	162,865	9.8	49.4	20.4	20.4	3.00	4.8	18.00	14.4
New Mexico	24,760	13.5	48.9	23.1	14.5	3.00	4.2	15.00	14.5
Texas	178,898		68.5	18.1	13.4	\$5.00	30.6	\$15.00	13.4
Region XI:									
Arizona	16,928	.9	43.4	29.0	26.7	None		15.00	26.7
Colorado	57,710		48.6	31.8	19.6	5.00	6.8	15.00	19.6
Idaho	31,942		33.7	47.3	19.0	5.00	3.7	18.00	3.1
Montana	71,091		36.8	31.9	31.3	5.00	7.7	15.00	31.3
Utah	15,948		35.5	29.9	34.6	5.00	4.1	16.00	29.8
Wyoming	13,082		25.1	26.5	48.4	5.00	2.8	18.00	33.0
Region XII:									
California	841,808			49.4	50.6	10.00	17.5	18.00	32.6
Nevada	14,387		11.0	26.4	62.6	5.00	.8	15.00	62.6
Oregon	43,317		20.3	31.9	47.8	10.00	4.6	15.00	47.8
Washington	97,501		21.4	31.8	46.8	7.00	7.5	15.00	46.8
Territories:									
Alaska	7,003		6.0	15.4	78.6	5.00	.8	16.00	75.1
Hawaii	7,280		86.9	5.3	7.8	5.00	60.9	20.00	.2

¹ Excludes final payments for less than benefit rate.

² Recent amendments to State laws have changed minimum and maximum weekly benefit payable. During transition period, payments are made under both provisions of law. Figure shown is minimum as provided for in amended law, and percentage shown relates to payments at that minimum only.

³ For each benefit period of 14 consecutive days, Kentucky pays minimum of \$8 and maximum of \$30, and Texas pays minimum of \$10 and maximum of \$30.

⁴ Under provisions of law, it is possible for some payments to exceed maximum.

⁵ Less than 0.05 percent.

⁶ Effective June 14, 1941, minimum has been changed to \$10. Percentage shown, however, represents percentage of weeks compensated at previous minimum of \$7.

⁷ Percentage of payments within the dollar interval including the minimum.

other States issued 75 percent or more of their checks for less than \$10.

Payments at the minimum rate account for only a small proportion of the checks issued to totally unemployed workers in the majority of States. In certain States the tendency toward more stringent eligibility provisions often results in denial of benefits to those who would otherwise be entitled to only the minimum. In many other States, however, the minimum rate is so low in relation to the wage structure that even though many claimants have small weekly earnings they are entitled to benefits in excess of the minimum rate. California and Pennsylvania, with statutory minimum benefit amounts of \$10 and \$7.50, respectively, compensated 18 and 20 percent of the weeks of total unemployment at the minimum rate. Of the 3 States which had minimum rates of \$7 for all beneficiaries during this quarter, New York compensated 17 percent of payments at that rate, but in Illinois and Washington, where a large proportion of the payments were for \$15 and over, relatively few payments were at the minimum amount. All the States with minimum rates of \$6, and 14 of the 17 with minimums of \$5, compensated approximately 80 percent or more of the weeks of unemployment above the minimum rate. Of the 10 States with a \$3 minimum, only Arkansas and North Carolina paid more than 10 percent of their benefit checks at the minimum rate. Of the 19 States retaining the same minimum benefit amounts as last year, 14 reported

approximately the same percentage of payments at the minimum in the second quarter of 1941 and 1940.

Unlike the relatively minor effect of the minimum benefit provision in most State laws, the substantial number of checks issued at the maximum rate indicates that the maximum is an important limiting factor, chiefly because average weekly earnings of many claimants amount to more than twice as much as the maximum benefit permitted by law. In Alaska, 75 percent of payments were issued at the maximum rate; in Illinois, Nevada, Oregon, and Washington, between 42 and 63 percent; and in California, Florida, Montana, New York, and Wyoming, more than 30 percent. The proportions in these States were also high in previous quarters. In many instances, the larger benefit checks reflect relatively high wages in seasonal industries. The maximum rates were recently raised from \$15 to \$20 in Hawaii, to \$18 in Georgia and New Jersey, and to \$17 in Maryland. During the quarter, one State had a maximum rate of \$20, seven States had maximums of \$18, one State of \$17, five other States of \$16, and the remaining States of \$15.

In the area where low weekly payments predominated—the Southeast and Gulf States—Louisiana issued 14 percent of payments at the maximum of \$18, and Florida 33 percent, and Mississippi and Texas 13 percent at the maximum of \$15, higher proportions than in the other States in this section of the country.

Railroad Unemployment Insurance *

In the 4 weeks ended August 29, the regional offices of the Railroad Retirement Board received 5,261 applications for certificates of benefit rights based on 1940 wages (table 1). The weekly average in August was 1,315, less than 35 percent of the July figure. A large decline in applications in August is not surprising, because an application is submitted only on the first day of the first registration period in the benefit year. In July, when a new benefit year begins, all workers who start a registration period in that month also submit application for a certificate of benefit rights based

*Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

on wages credited for the new base year; thereafter, applications are filed only by claimants who have not previously submitted applications in the current benefit year. By the end of August, 23,405 applications based on 1940 wages had been received, of which 22,742 were adjudicated. A total of 22,428 applicants were found to be qualified and 314 were determined to be ineligible.

The number of claims received in the 4 August weeks was 29,996. The average of 7,499 per week was slightly higher than the average of 7,233 for the last 2 weeks in July, when the first claims for the current benefit year were received by the regional offices. While these figures reflect a

small increase in the average number of claimants under the Railroad Unemployment Insurance Act, the total number of unemployed workers in the industry was lower in August than in the preceding month. According to the compilations of the Interstate Commerce Commission for class I railroads, employment increased more than 20,000 from the middle of July to the middle of August; nearly half of the increase occurred in the highly seasonal maintenance-of-way department.

The adjudication of claims in August continued to keep pace with receipts. The total number of claims processed was 33,449, including 92 claims adjudicated under the provisions of the original act and 3,446 adjudicated a second time. Most of the latter had originally been classified as not payable, because the claimant failed to submit the required application for employment. Of the claims processed for the current benefit year, 338 with 7 days of unemployment in the registration period were allowed waiting-period credit and 24,033 were certified for benefits; 5,877 in the latter group were initial claims and also carried waiting-period credit. The proportion of certifications of initial claims was much lower in August than in the last 2 weeks of July and declined steadily from 34 percent in the first week to less than 17 percent in the last week. The decrease in the proportion of initial claims in the second month of the benefit year is to be expected, since many of the currently unemployed workers are in their second or subsequent registration period. The proportion of claims certified for benefit payment was about the same in August as in the preceding month.

Benefits certified in the 4 August weeks totaled \$520,000; nearly \$508,000 of this amount represented benefits for the current benefit year. Benefits for waiting-period claims amounted to \$83,695, an average of \$14.24 for a registration period with a maximum of 7 compensable days (table 2). The decline from the July average of \$15.94 resulted mainly from a decrease in the number of days of unemployment in the registration period and hence a decrease in the number of compensable days. This reduction reflects a preponderance among initial claimants at the start of the benefit year of workers who had been unemployed for some time before the benefit year began and whose unemployment is likely to be continuous in character.

The average benefit certification for claims for subsequent registration periods, with a maximum of 10 compensable days, was \$23.36. Because the number of such certifications in July was small, a comparison with the July average is not significant. However, both the average daily benefit amount and the average number of days of unemployment in certifications of this type in August are close to the corresponding averages for initial certifications in July. The average daily benefit amount was \$2.66 in August and the average for initial certifications was \$2.64 in July, while the average number of days of unemployment in the registration period was 12.8 and 13.0, respectively. The similarity in the averages is due to the fact that employees filing initial claims at the start of the benefit year in July are likely to account for a large proportion of the workers who continue to submit effective claims in August.

Table 1.—Railroad unemployment insurance: Applications for certificate of benefit rights and claims received, and benefit payments certified, by specified period, 1941-42 and 1940-41

Period	1941-42				1940-41			
	Applications	Claims	Benefit payments		Applications	Claims	Benefit payments	
			Number	Amount			Number	Amount
July-August.....	¹ 23,405	62,317	² 47,792	³ \$933,099	¹ 59,688	211,710	² 116,422	³ \$1,688,819
August.....	5,261	29,996	24,698	519,788	16,552	96,960	60,962	890,605
1st week.....	1,754	7,294	6,465	132,793	5,052	27,425	16,261	241,138
2d week.....	1,286	7,742	5,903	123,113	4,117	23,391	14,502	207,035
3d week.....	1,053	7,175	6,131	130,433	3,944	26,353	16,575	245,153
4th week.....	1,168	7,785	6,199	133,449	3,439	19,791	13,624	197,279
Weekly averages:								
July.....	3,838	6,464	4,683	83,843	8,788	22,950	11,062	159,643
August.....	1,315	7,499	6,175	129,947	4,138	24,240	15,241	222,651

¹ Includes some applications received in June for benefit year beginning in July.

² Net figures, corrected for underpayments and recovery of overpayments through end of August.

Employment Service

The continuing demand for track labor in August caused employment service operations to proceed at a somewhat higher level than in preceding months. In the 4 weeks ended August 29 the employment offices were notified of 4,889 openings, 3,562 of which were with railroad employers. In the same month, 1,596 previously reported openings were canceled. A total of 4,680 qualified workers were referred to available jobs, and 2,483 were placed. More than 80 percent of the workers placed were track laborers. In several regions where the Board's employment offices had an insufficient number of unemployed registrants, the employment offices of the States were called upon for assistance; 426 placements were made in this manner. The average of 621 placements a week is the highest in any month since employment service operations began.

Summary of Operations, 1940-41

In the year ended June 30, 1941, the second full year of operation under the Railroad Unemployment Insurance Act, the Board's regional offices received 1,257,822 claims, of which 999,505 were certified for benefits amounting to \$17,699,236. The number of claims was substantially lower than the 1,441,213 for the preceding year, because of the improvement in employment conditions in the railroad industry as well as in other fields. The number of benefit certifications, however, was almost the same in the second year as in the first, and the amount of benefits certified was considerably larger. In the year 1939-40 a total of \$14,811,065 in benefit payments was

certified on 1,000,684 claims. This increase was due mainly to the important modifications in the act, effective in November 1940, which reduced the waiting-period requirement, increased the number of compensable days of unemployment in the registration period, and raised the daily benefit rate for certain classes of beneficiaries.¹

One of the changes made in November 1940 was the provision for a uniform benefit year covering the period from July through the following June. It is thus possible to summarize the operations for 1940-41 in terms of a benefit year in which the benefits of all but a small fraction of the claimants were related to the wages credited for the calendar year 1939, and to make comparisons with the benefit year 1939-40, the base year for which was the calendar year 1938.

In the benefit year 1940-41 the number of unemployment insurance claims was 1,203,645, as compared with 1,511,182 in the preceding year. Since a claim covered 15 consecutive days before November 1940 and 14 days thereafter, it may be estimated that the average number of claimants in 1940-41 was about 47,210, and in 1939-40 about 60,450. The decrease in 1940-41 in the average number of unemployed workers submitting claims under the act was considerably smaller than the reduction in unemployment indicated by changes in employment. For class I railroads, which account for more than 85 percent of all employees under the act, average employment in 1940-41 exceeded that in 1939-40 by more than 53,000, according to the statistics of the

¹ For an extended discussion of the amendments, see the Bulletin, November 1940, pp. 12-29.

Table 2.—Railroad unemployment insurance: Number of benefit certifications, average benefit, and average number of compensable days in benefit year 1941-42, by specified period, July-August 1941¹

Type of certification and period	All certifications				Certifications with 14 days of unemployment		Certifications with 8-13 days of unemployment			Certifications with 5-7 days of unemployment		
	Number	Average benefit payment	Average daily benefit	Average number of compensable days	Percent of all certifications	Average daily benefit	Percent of all certifications	Average daily benefit	Average number of compensable days	Percent of all certifications	Average daily benefit	Average number of compensable days
Certifications for first registration period: ²												
July 19-Aug. 1.....	8,989	\$15.94	\$2.64	6.03	68.7	\$2.64	31.3	\$2.65	3.90			
Aug. 2-Aug. 29.....	5,877	14.24	2.55	5.57	60.4	2.56	39.6	2.53	3.42			
Certifications for subsequent registration periods: ²												
July 19-Aug. 1.....	1,421	22.55	2.44	9.26	80.7	2.45	15.4	2.32	7.10	3.9	\$2.32	2.22
Aug. 2-Aug. 29.....	18,156	23.36	2.66	8.79	71.8	2.69	22.0	2.53	6.79	6.2	2.50	1.90

¹ Data based on 33.3-percent sample, except number of certifications and average benefit per certification.

² Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.

Interstate Commerce Commission. There are several reasons for this difference, the most important of which is the fact that a larger proportion of aggregate unemployment was registered under the act in 1940-41 than in the preceding year. This situation in turn was due to the fact that the number of employees who had wages at or above the qualifying minimum was 73,000 greater in 1939 than in 1938. Moreover, the liberalization of the benefit structure of the act, which increased the compensability of the unemployment incurred by the eligible employees, was undoubtedly as important a factor in stimulating claim filing as was the workers' greater familiarity with the act during the second year of its operation.

Although the reduction in the average number of claimants offers an inadequate reflection of the decrease in aggregate unemployment, it provides a more sensitive measure than does the cumulative number of benefit recipients. In the benefit year 1940-41 the number of beneficiaries was 161,876, a decline of less than 1,000 from the total of 162,808 for the preceding year. The comparison between these figures is distorted by the 1940 changes in the law, among other factors. The amendment which authorized benefits even for the first registration period in the benefit year when it includes at least 8 days of unemployment naturally tended to increase the number of beneficiaries. A reflection of this change is to be found in the comparison between the number of applicants and the number of beneficiaries. In 1939-40 only 77 percent of the 210,800 employees who filed applications were certified for one or more benefit payments. In the following year 82 percent of the total of 181,157 applicants received one or more benefit payments

based on 1939 wages. This increase understates the effect of the change in the law, because the amended provisions were in operation only 8 months of 1940-41.

The total amount of benefits certified in the benefit year 1940-41 was \$17,421,654, a considerable increase over the preceding year, when benefits amounted to \$15,304,477. The increase is due entirely to the amendments. It is estimated that if the act had not been modified, the \$13,602,071 in benefits certified in 1940-41 under the amended act would have been reduced to about \$7,647,000, and the benefits for the entire year 1940-41 would have totaled not more than \$11,470,000.

The effect of the amendments on benefits paid can also be shown by comparing for the 2 years the average benefit per certification for registration periods subsequent to that in which the waiting period was served. In 1939-40 the average was \$14.79, while under the amended act in 1940-41 it was \$19.61, an increase of 33 percent attributable almost entirely to the liberalization of the act. Despite the reduction in unemployment, even for persons who were certified for one or more benefits, the change in the law resulted in increasing the average benefit per beneficiary from \$94 in 1939-40 to nearly \$108 in 1940-41.

The reduction in unemployment among beneficiaries accounted for the drop in the proportion of employees who drew the maximum amount of benefits to which they were entitled under the law. In 1939-40 a total of 31,403, or 19 percent of the 162,808 beneficiaries, exhausted their benefit rights. In 1940-41 only 25,356, or 17 percent of the 148,911 persons who drew benefits on the basis of 1939 wages, received benefits for the maximum duration.

OLD-AGE AND SURVIVORS INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE • ANALYSIS DIVISION

Operations Under the Social Security Act

Monthly Benefits in Force and Payments Certified, August 1941

The steadily growing number of monthly benefits in force reached 412,719 at the end of August, an increase of 20,238 or 5.2 percent over the number at the end of July (table 1). The unusually low rate at which individuals aged 65 and over have retired from the labor market under the recent favorable employment conditions resulted in a continued slight decrease in the proportion of primary benefits in force.

The proportion of benefits in deferred-payment status has remained nearly constant for many months. However, there has been a gradual decrease in the proportion deferred on account of a previous lump-sum payment at age 65, accompanied by a gradual increase in the proportion deferred because of the beneficiary's previous temporary employment while in receipt of benefits.

Monthly benefits in conditional-payment status

have continued to increase appreciably; 39,886 or 9.7 percent of benefits in force on August 31 were in conditional-payment status, as compared with 36,845 or 9.4 percent as of July 31, and 20,790 or 8.5 percent as of December 31, 1940.

A portion of benefits in conditional-payment status are "frozen benefits," that is, cases in which the beneficiary has established nominal entitlement to benefits but commencement of payments is deferred for an indefinite period, usually because the wage earner or beneficiary has not yet discontinued employment. While the numbers of frozen benefits in force have increased slightly in absolute numbers—from 9,849 on December 31 to 12,180 on August 31—in proportion to all monthly benefits in force they have diminished from 4.0 percent on December 31 to 3.0 percent on August 31.

The remaining benefits in conditional-payment status represent cases in which payments had begun but were subsequently suspended for an

Table 1.—Number and amount of monthly benefits in force¹ in each payment status² and actions effected during the month, by type of benefit, August 1941

[Data corrected to Sept. 8, 1941]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of July 31, 1941.....	392,481	\$7,175,265	193,212	\$4,385,258	51,977	\$629,272	97,069	\$1,182,339	10,618	\$215,421	38,080	\$743,219	1,525	\$19,790
In current-payment status	352,446	6,387,444	167,158	3,793,549	46,471	563,445	92,668	1,131,244	10,455	211,613	34,183	668,012	1,511	19,581
In deferred-payment status	3,190	66,340	2,406	55,373	427	5,262	185	1,913	114	2,748	49	930	9	114
In conditional-payment status.....	36,845	721,481	23,648	536,336	5,079	60,565	4,216	49,182	49	1,060	3,848	74,277	5	61
Actions during August 1941:														
Benefits awarded.....	23,135	405,869	9,667	216,726	3,131	37,443	6,613	79,974	983	19,813	2,632	50,494	109	1,419
Entitlements terminated ³	2,829	49,814	1,022	23,713	441	5,386	866	10,998	44	851	439	8,642	17	228
Net adjustments ⁴	-68	-202	-13	-65	-4	-31	-34	-31	-1	-1	-16	-74		
In force as of Aug. 31, 1941.....	412,719	7,531,118	201,844	4,578,206	54,663	661,298	102,782	1,251,284	11,556	234,382	40,257	784,997	1,617	20,981
In current-payment status	369,522	6,686,622	174,044	3,948,876	48,692	590,297	97,789	1,192,869	11,393	230,717	36,001	703,093	1,603	20,770
In deferred-payment status	3,311	67,447	2,478	56,147	441	5,292	207	2,153	107	2,459	69	1,286	9	110
In conditional-payment status.....	39,886	777,049	25,322	573,183	5,530	65,709	4,786	56,262	56	1,206	4,187	80,618	5	71

¹ Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940, when monthly benefits were first payable.

² Benefit in current-payment status is subject to no deduction from current month's benefit or only to deduction of fixed amount which is less than current month's benefit; benefit in deferred-payment status is subject to deduction of fixed amount which equals or exceeds current month's benefit; benefit in conditional-payment status is subject to deduction of entire benefit for current and each subsequent month for indefinite period.

³ Terminations may be for following reasons: Primary benefit—beneficiary's death; wife's benefit—beneficiary's death, death of husband, divorce, or entitlement of beneficiary to equal or larger primary benefit; child's bene-

fit—beneficiary's death, marriage, adoption, or attainment of age 18; widow's benefit—beneficiary's death, remarriage, or entitlement to equal or larger primary benefit; widow's current benefit—beneficiary's death, remarriage, entitlement to widow's benefit or to equal or larger primary benefit, or termination of entitlement of last entitled child; parent's benefit—beneficiary's death, marriage, or entitlement to other equal or larger monthly benefit.

⁴ Adjustments in amount of monthly benefit may result from entitlement of an additional beneficiary or termination of entitlement of an existing beneficiary when maximum provisions of sec. 203(a) of the 1939 amendments are effective or from termination of entitlement of an existing beneficiary when minimum provision of sec. 203(b) consequently becomes effective; adjustments in number or amount may also result from actions not otherwise classified.

Table 2.—Average amount of monthly benefits in force, by type of benefit and payment status, August 31, 1941¹

[Data corrected to Sept. 8, 1941]

Type of benefit	Payment status			
	Total in force	Current	Deferred	Conditional
Total.....	\$18.25	\$18.10	\$20.37	\$19.48
Primary.....	22.68	22.60	22.66	22.64
Wife's.....	12.10	12.12	12.00	11.88
Child's.....	12.17	12.20	10.40	11.76
Widow's.....	20.28	20.25	22.98	21.54
Widow's current.....	19.50	19.53	18.64	19.25
Parent's.....	12.96	12.96	12.22	14.20

¹ See footnotes to table 1.

indefinite period, generally because the wage earner or beneficiary returned to covered employment. Benefits in this category have increased both in number and as a percent of total benefits in force, numbering 27,706 or 6.7 percent of the total in force on August 31 compared with 10,941 or 4.5 percent on December 31.

Average benefits in current-payment status do not change appreciably over short periods of time. The average primary benefit in deferred-payment status because of a previous lump-sum payment at age 65 and the average frozen primary benefit have been found to be larger than the average of all the primary benefits in force. On the other hand, the average primary benefit of persons who return to covered employment after receiving some payments is probably less than the average of all primary benefits in force. The increasing proportion of primary benefits in deferred-payment status and in conditional-payment status because the worker has returned to work probably accounts for the fact that the average primary benefit in deferred-payment status declined from \$25.29 on December 31 to \$22.66 on August 31, and the average primary benefit in conditional-payment status declined from \$23.14 to \$22.64 in the same period (table 2).

The increase in monthly benefits certified for payment corresponds approximately to the steady increase in monthly benefits in current-payment status, more than \$7.2 million being certified with respect to 376,370 individual beneficiaries in August (table 3).

Claims Received

More than 71,000 claims for benefits have been received during the current fiscal year. The

average number of claims received during August increased substantially for each type of benefit, as compared with a month ago, and exceeded the high level of receipts in June. Claims received for widow's benefits rose to 239, representing a 24-percent increase over the previous month.

Employee Accounts Established and Employer Identification Numbers Assigned

The weekly average of employee accounts established in August was 159,000 (table 4), a drop of 16.2 percent from the July average. More accounts, however, were established in August 1941 than in August of any previous year beginning with 1938. Similarly, comparisons of recent monthly figures with those for earlier years reveal that registrations in every month in 1941 beginning with June have been heaviest since 1938. These figures undoubtedly reflect the movement of job seekers into covered employment resulting from the defense program.

The weekly average of employer identification numbers assigned in August was 9,313, 1.1 percent higher than the weekly average in the previous month.

Date on Social Security Benefit Check Changed

Under present procedure, the monthly benefit check issued by the Treasury Department is dated the last day of the month for which the benefit is

Table 3.—Monthly benefits and lump-sum death payments certified, by type of payment, August 1941

Type of payment	Number of beneficiaries ¹	Amount certified	Percentage distribution	
			Beneficiaries	Amount
Monthly benefits ²	376,370	\$7,209,145	100.0	100.0
Primary.....	177,672	4,176,097	47.2	57.9
Supplementary.....	61,561	769,081	16.4	10.7
Wife's.....	49,645	629,242	13.2	8.7
Child's.....	11,916	139,839	3.2	2.0
Survivor's.....	137,137	2,263,967	36.4	31.4
Widow's.....	11,404	259,509	3.0	3.6
Widow's current.....	36,736	800,123	9.8	11.1
Child's.....	87,382	1,179,396	23.2	16.4
Parent's.....	1,615	24,939	.4	.3
Lump-sum death payments.....	48,467	1,155,484	.....	.....
Under 1939 amendments ³	8,182	1,144,847	.....	.....
Under 1935 act ⁴	285	10,637	.....	.....

¹ Differs from number in current-payment status, which takes account of changes in status effective after certification.

² Distribution by type of benefit partly estimated.

³ Includes retroactive payments.

⁴ Represents number of deceased workers on whose wages payments were based.

⁵ Payable with respect to workers who died after Dec. 31, 1939, in cases in which no survivor could be entitled to monthly benefits for month in which worker died.

⁶ Payable with respect to workers who died prior to Jan. 1, 1940.

payable and the beneficiary receives it on the day it is dated. As a result, in certain cases an insured individual who has died on the last day of the month had already cashed his benefit check, although actually the benefit terminates with the month preceding the month in which the individual dies. Therefore, effective with the September

Table 4.—Weekly average of employee accounts established and employer identification numbers assigned, by State, August 1941¹

Social Security Board region and State	Employee accounts		Employer identifica- tion numbers	
	Average number	Percentage distribution	Average number	Percentage distribution
Total.....	150,162	100.0	9,313	100.0
Region I:				
Connecticut.....	1,724	1.1	156	1.7
Maine.....	1,238	.8	120	1.3
Massachusetts.....	5,051	3.2	398	4.3
New Hampshire.....	609	.4	48	.5
Rhode Island.....	735	.4	40	.4
Vermont.....	469	.3	29	.3
Region II:				
New York.....	15,755	9.9	1,170	12.6
Region III:				
Delaware.....	359	.2	28	.3
New Jersey.....	4,043	2.6	459	4.9
Pennsylvania.....	9,215	5.8	413	4.4
Region IV:				
District of Columbia.....	1,053	.7	80	.9
Maryland.....	3,503	2.2	176	1.9
North Carolina.....	4,830	3.0	203	2.2
Virginia.....	3,249	2.0	191	2.0
West Virginia.....	1,918	1.2	42	.4
Region V:				
Kentucky.....	3,063	1.9	119	1.3
Michigan.....	5,699	3.6	386	4.1
Ohio.....	6,170	3.9	508	5.5
Region VI:				
Illinois.....	10,015	6.3	474	5.1
Indiana.....	4,373	2.7	250	2.7
Wisconsin.....	2,848	1.8	258	2.7
Region VII:				
Alabama.....	4,200	2.6	81	.9
Florida.....	2,042	1.3	173	1.8
Georgia.....	6,031	3.8	130	1.4
Mississippi.....	3,863	2.4	44	.5
South Carolina.....	3,976	2.5	61	.7
Tennessee.....	4,755	3.0	171	1.8
Region VIII:				
Iowa.....	2,459	1.6	119	1.3
Minnesota.....	2,683	1.7	87	.9
Nebraska.....	1,068	.7	117	1.3
North Dakota.....	385	.2	29	.3
South Dakota.....	389	.2	50	.5
Region IX:				
Arkansas.....	3,333	2.1	84	.9
Kansas.....	1,867	1.2	130	1.4
Missouri.....	4,678	2.9	158	1.7
Oklahoma.....	2,579	1.6	139	1.5
Region X:				
Louisiana.....	2,972	1.9	90	1.0
New Mexico.....	564	.4	10	.1
Texas.....	7,898	4.9	653	7.0
Region XI:				
Arizona.....	467	.3	43	.5
Colorado.....	1,193	.7	101	1.1
Idaho.....	532	.3	52	.6
Montana.....	461	.3	62	.7
Utah.....	621	.4	33	.3
Wyoming.....	265	.2	21	.2
Region XII:				
California.....	9,426	5.9	754	8.1
Nevada.....	181	.1	16	.2
Oregon.....	1,567	1.0	171	1.8
Washington.....	1,990	1.3	145	1.6
Territories:				
Alaska.....	107	.1	10	.1
Hawaii.....	661	.4	31	.3

¹ The data on employee accounts established and employer identification numbers assigned, while representing somewhat similar administrative operations, are not necessarily related from an economic viewpoint. Weekly averages are computed for the 5-week period July 26-Aug. 29, 1941.

check, the date indicated and the date of delivery will be the first day of the month succeeding the month for which the benefit is payable. These checks will also bear a notation of the month for which the benefit is payable, e. g., "for September."

Unidentified Wage Items of Small Amounts

Incomplete reporting has always been a perplexing problem in the administration of the old-age and survivors insurance program. In the early years of operation, a significant proportion of the total number of wage items and of corresponding amounts were incompletely reported, that is, were without an account number or had an impossible number.¹ This proportion is declining progressively. As of June 1941, only 2.3 percent of all the 1937-39 wage items processed were incomplete, representing 0.4 percent of total wages. The average value of wages unidentified is \$48.40 as compared with \$149.00, the average value of wages identified. Of total 1940-41 items processed, only 1.2 percent have not yet been identified, representing 0.4 percent of total wages reported. The average value of these unidentified wages is \$89.19 as compared with \$115.47 for wages identified and posted to proper accounts.

Investigation for the purpose of identifying incompletely reported items has been concentrated upon larger items, particularly those above \$100, inasmuch as the larger items would have a greater effect upon the amount of benefits. A study was recently conducted to show what effect incompletely reported items of lesser value, such as those under \$25, have on the attainment of quarters of coverage. This figure was chosen, since \$25 in wages constitutes one-half of the wage amount needed to constitute a quarter of

¹ See Broughton, Philip S., "Wage Reports Must Be Right," *Social Security Bulletin*, Vol. 3, No. 8 (August 1940), pp. 10-17.

Table 5.—Number of incompletely reported wage items of less than \$25.00 and their effect on quarters of coverage, August 1941¹

Amount of item	Incompletely reported items reinstated	Employees who would have lost a quarter of cover- age if items had not been reinstated	
		Number	Percent
Total.....	5,003	62	1.24
Less than \$10.00.....	2,748	25	.91
10.00-24.99.....	2,255	37	1.64

¹ Represents a 5-percent sample tabulation for the fourth quarter of 1940, of incomplete items ranging from \$0.01 to \$24.99.

coverage. Of a sample of 5,000 incomplete items of less than \$25 which were reinstated, only 62 resulted in the crediting of additional quarters of coverage to employee accounts (table 5). On the basis of the sample, therefore, 1.2 percent of all employees for whom items were incompletely reported would have lost a quarter of coverage if items had not been reinstated.

An analysis of the number of wage items of less than \$10 in relation to items of a larger amount was made to discover whether the field processing load could be reduced by eliminating the investigation of such items. The study was based on the number of employers reporting incomplete wage items rather than on the number of wage items considered, since the field load is based primarily upon employer contacts and not individual wage items. The results of the study show that the

Table 6.—Number and percentage distribution of employers reporting incomplete wage items, by amount of wage item, August 1941¹

Amount of item	Number of employers	Percentage distribution
Total.....	11, 243	100. 00
Less than \$10.00 only.....	787	7. 00
10.00-24.99 only.....	1, 507	13. 40
25.00 and over only.....	5, 792	51. 51
At least 1 item of less than 10.00 and 1 of 10.00-24.99.....	764	6. 80
At least 1 item of less than 10.00 and 1 of 25.00 or more.....	1, 064	9. 47
At least 1 item of 10.00-24.99 and 1 of 25.00 or more.....	1, 329	11. 82

¹ Represents an 8-percent sample tabulation for the fourth quarter of 1940.

majority of items of less than \$10 are associated with items of a larger amount; the field office therefore would have to consult the employer in any event. If investigation of items of less than \$10 is eliminated, collector letters and employer contacts would be reduced by only 7 percent.

Operations Under the Railroad Retirement Act *

Total net benefits certified to the Secretary of the Treasury in August amounted to \$10.4 million (table 1), approximately the same as in July. Increases in employee and in death-benefit annuities were offset by decreases in pensions, survivor annuities, and lump-sum death benefits. For the first 2 months of the new fiscal year total payments were 5.4 percent larger than for the corresponding 2 months the year before.

New certifications of employee annuities in August numbered 1,556, or 92 more than in July. After adjustments for suspensions and reinstatements, the excess of new certifications over terminations due to death resulted in an increase of 830 in the number of employee annuities in force at the end of the month. The average monthly amount for all employee annuities initially certified in August, including those subject to recertification—27 percent—was \$63.92. The average monthly payment for all employee annuities in force as of August 31 was \$65.72.

A total of 1,746 applications for employee annuities was received in Washington in August, compared with 1,822 in July. For the 2 months the total was 10.4 percent less than for the corresponding 2 months a year ago.

The number of pensions in force declined by 360

from the end of the preceding month. The average pension payable on August 31 was \$58.97.

The number of survivor annuities in force at the end of the month, after minor adjustments, stood at 2,819, and the average monthly payment was \$32.43. The number of death-benefit annuities in force was 704 and the average monthly payment, \$36.22.

Certifications of lump-sum death benefits numbered 1,105 in August compared with 1,315 in July. This decline in new certifications explains the decline of more than 12 percent in total lump-sum death-benefit payments between July and August. The average payment for the August certifications was \$250.17, compared with \$238.86 in July. The average payment of lump-sum death benefits tends to increase as the employee earnings upon which these benefits are based accumulate for the period beginning January 1, 1937.

By August 31, individual records of service and compensation prior to January 1, 1937, for more than 216,000 employees had been verified by employers and transmitted to the Board in completed form under the prior-service project set up last year. While these records must still be processed by the Board to determine the amount of creditable prior service and the average monthly compensation for such service, their availability in this verified form helps greatly to expedite the

*Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

adjudication of claims. It is estimated that in 40-50 percent of current certifications prior-service credits are being established in whole or in part from these previously verified records.

Credit for Military Service

The Board has established the procedure for verifying and adjudicating claims for military service prior to January 1, 1937, authorized under the amendment of October 8, 1940 (see the Bulletin, November 1940, p. 86) and is now certifying such claims.

To be creditable, military service must have been rendered within a war-service period, which is defined in the act as a period during which the United States was engaged in a war, when the individual was required to continue in service after a war, or when, irrespective of any war, the individual concerned was required by an act of Congress or by a call of the President pursuant to such act to serve in the armed forces.

Military service is creditable only to individuals who are otherwise eligible for prior-service credit under either the 1935 or 1937 acts. The individual must have been in the service of an employer subject to the act prior to his military service, either in the calendar year in which his military service began or in the next preceding calendar year.

Credit for military service may be counted as

a part of prior service, but the combined total of both prior and subsequent service, including military service, may not exceed 30 years. The inclusion of the time spent in military service in an applicant's total service credit may make it possible to grant annuities to some employees who otherwise would not have the 30 years of railroad service required for certain types of annuity under the Railroad Retirement Act, and will provide higher annuities for others, some of whom are already receiving annuities.

The benefits which an individual is receiving under any other act or acts of Congress and which are based in whole or in part on the military service included in his years of service for retirement benefit purposes are deducted from his annuity which is based in part on such service. The annuity under the retirement act is reduced either by the entire amount of the other benefits, or by the proportion which the number of years of credited military service bears to the total years of service, whichever is the smaller reduction.

An individual who has been denied an annuity which could have been granted had military service been included in his years of service must file a new application claiming military-service credit. The beginning date of the annuity will be governed by the date of the new application. The same provision is made if credit for military service would increase an annuity previously

Table 1.—Railroad retirement: Number and amount of annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of payment, August 1941¹

Period and administrative action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities ²		Lump-sum death benefits	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of July 31, 1941.....	153, 576	\$9, 769, 086	119, 253	\$7, 836, 630	30, 842	\$1, 816, 816	2, 791	\$90, 736	690	\$24, 902	-----	-----
During August 1941:												
Initial certifications.....	1, 683	103, 755	1, 556	99, 463	1	25	35	1, 035	91	3, 230	-----	-----
Terminations by death (deduct).....	1, 155	68, 908	715	46, 632	351	19, 086	10	476	79	2, 713	-----	-----
In force as of Aug. 31, 1941 ³	154, 088	9, 806, 551	120, 083	7, 892, 240	30, 482	1, 797, 399	2, 819	91, 409	704	25, 502	-----	-----
Retroactive payments.....	-----	401, 526	-----	384, 654	-----	238	-----	4, 575	-----	12, 057	-----	-----
Lump-sum death benefits.....	1, 105	⁴ 278, 272	-----	-----	-----	-----	-----	-----	-----	-----	1, 105	⁴ 278, 272
Cancellations and repayments (deduct).....	-----	76, 908	-----	50, 685	-----	24, 901	-----	701	-----	195	-----	425
Total payments (net).....	-----	10, 409, 441	-----	8, 226, 209	-----	1, 772, 736	-----	95, 283	-----	37, 364	-----	277, 846

¹ For definitions of classes of payments, see the Bulletin, July 1939, p. 7. Data based on month ended on 20th calendar day in which annuity or pension was first certified or terminated upon notice of death, or in which other administrative action was taken by the Board rather than on month in which annuity or pension began to accrue, beneficiary died, or administrative action was effective. In-force payments as of end of month reflect administrative action through the 20th. Correction for claims certified or terminated in error or for incorrect amount is made in data for month in which error was discovered and not in which error was made. Cents omitted.

² In a few cases payments are made to more than 1 survivor on account of

death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; practically all terminations are of latter type.

³ After adjustments for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payments).

⁴ Includes \$1,835 additional payments on claims initially certified in previous months.

Table 2.—Railroad retirement: Claims for prior military-service credit received through June 1941, by selected characteristic

Characteristic	Number	Percent
Total.....	861	100.0
Annuity applications previously filed ¹	687	79.8
New annuity applications.....	174	20.2
War-service period claimed: ²		
Spanish-American War.....	207	24.0
World War.....	491	57.1
Both war periods.....	14	1.6
Other and unknown.....	149	17.3
Branch of service:		
Army.....	740	87.1
Navy.....	55	6.4
Marine Corps.....	9	1.0
Coast Guard.....	2	.2
Other and unknown.....	46	5.3

¹ Of these, 315 or nearly 46 percent have been certified for annuity.
² War-service period is defined in accordance with Board Order 40-676. The Spanish-American War period began Apr. 21, 1898, and ended Aug. 13, 1898. The World War period began Apr. 6, 1917, and ended Nov. 11, 1918.

awarded. Any such increase will begin to accrue not more than 60 days before the filing date of the new application.

The additional costs resulting from the payment of benefits on the basis of military service will not be made a charge on the regular appropriations to the railroad retirement account. Provision is made in the amendment for specific congressional appropriations to cover the additional costs.

The Board implemented the new legislation by issuing on November 28, 1940, an explanation of its provisions. Subsequently, the Board mailed application blanks, together with copies of the Board Order, to more than 45,000 individuals listed on its records who might possibly be eligible for such credit. These persons consisted principally of certified annuitants with annuities based on less than 30 years of credited service; applicants with claims not yet adjudicated for whom 30 years of service had not been reported; and applicants whose claims had previously been denied because they did not have the 30

years' service required for annuities to begin at the age they indicated in their applications. No notice was sent to annuitants with 30 years of service, or to the heirs of annuitants or applicants who had died, since no benefits based on military service are payable in such cases.

By June 30, 1941, the Board had received 861 claims for prior military-service credit (table 2). Of these, 174 or slightly more than 20 percent of the total were in new applications. The other 687 were received from individuals who had previously filed applications and wished them amended; annuities had already been certified for nearly 46 percent of this number.

Of all the claims received through June, 57 percent were for service rendered in the World War, 24 percent for service rendered in the Spanish-American War, and 1.6 percent for service in both wars. Slightly more than 87 percent of the applicants claimed service in the Army, 6.4 percent in the Navy, and 1.2 percent in the Marine Corps and the Coast Guard. The remaining claims either failed to specify the branch of service or were for service not covered by the provisions.

Of the total claims received by the end of June, 613 were received during December and January following the mass circularization of application blanks in November. Since then the number of claims received each month has been relatively small, amounting to fewer than 50 in the months of April, May, and June.

The experience thus far indicates that for some time the Board will receive relatively few annuity applications with claims for military service. Until large numbers of men who served in the World War attain age 65, past military service will be a relatively unimportant factor in determining benefits under the Railroad Retirement Act.

SOCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS

Income Payments to Individuals

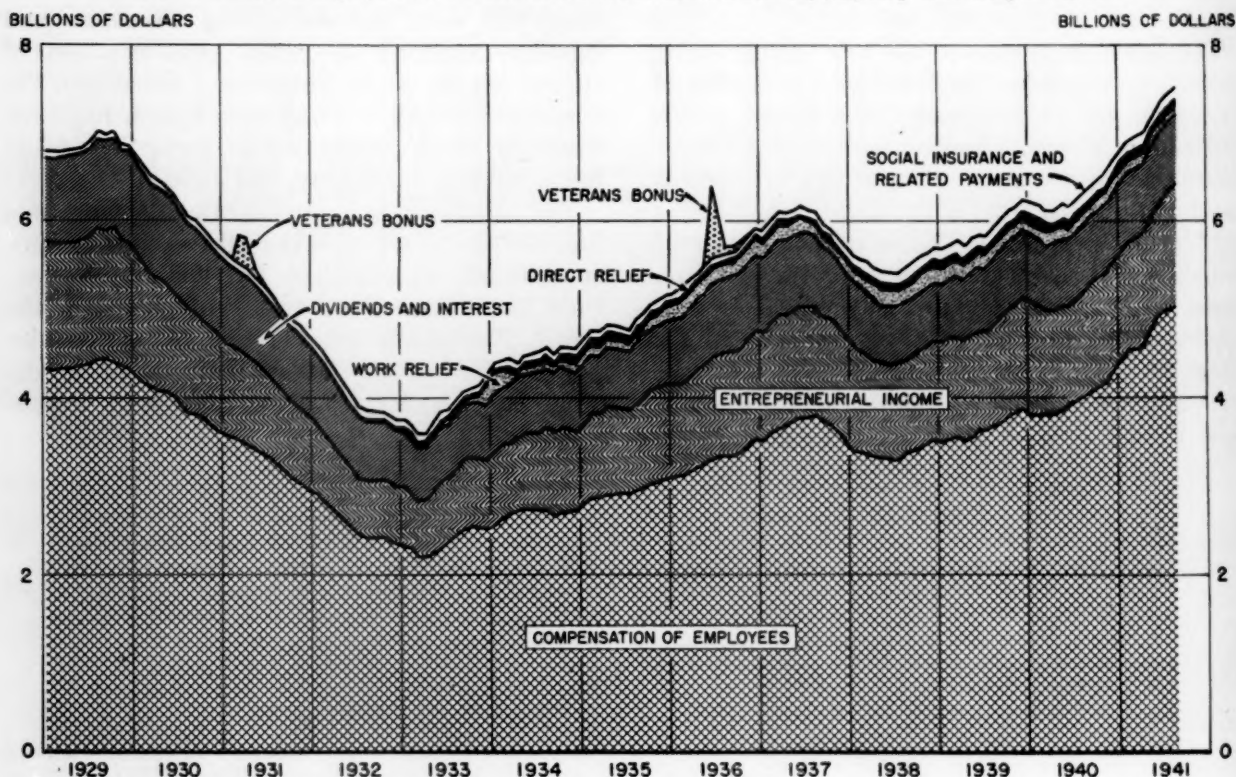
Total income payments to individuals have increased continuously since June 1940, when the defense program was inaugurated. In the 12 months from September 1940–August 1941, the stimulus of this program advanced aggregate income payments 19 percent. Part of the \$1.2 billion increase had been offset by higher prices, but purchasing power had increased at a much faster pace than prices.¹ Consequently the 25-percent increase in compensation of employees in the last year represents a real increase in the purchasing power of wage and salary workers, resulting from a sizable increase in nonagricultural employment and substantial and widespread increases in wage rates. Of all the components of

the income payments, compensation of employees showed the largest percentage increase. Entrepreneurial income and dividends and interest also were characterized by increases—16 and 5.0 percent, respectively. These latter items represent increased income to two major groups; farmers are benefiting from the improvement of market conditions for their products, and business enterprises are receiving greater returns from the expansion in the physical volume of goods and services purchased in both consumer-goods and durable-goods industries specializing in defense production.

Increased industrial activity and the high level of employment were primarily responsible for reductions in total relief and social insurance payments. In August, social insurance and related

¹ U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce, *Survey of Current Business*, September 1941, pp. 3-4.

Chart 1.—Income payments in the continental United States, January 1929–August 1941¹



payments were 12 percent less than in August 1940, largely because of the 49-percent decrease in benefit payments under the unemployment insurance systems. There was a sharp decline of 28 percent in work-relief payments, which was only partially offset by a slight increase of 2.2 percent in direct relief payments.

A slightly larger proportion of total income payments went to wage and salary workers in August than in the corresponding month of 1940. The increase resulted almost entirely from the increasing relative importance of wage and salary payments. Other income payments to wage and salary workers, such as work relief and unemployment compensation, decreased in relative importance.

In August total income payments, compensation of employees, entrepreneurial income, and dividends and interest showed slight increases from the preceding month; the increases ranged from 0.6 to 3.2 percent, with the largest percentage increase in entrepreneurial income and the smallest, in dividends and interest. There was no change

in direct relief payments. Work-relief and social insurance payments declined 7.4 and 2.2 percent, respectively. The social insurance and related payments in this series include—in addition to those presented in the special series of payments under selected social insurance programs, immediately following this discussion—payments under workmen's compensation and under State and local retirement and veterans' pension programs. The effect of industrial activity on the number of beneficiaries under veterans' and State and local retirement systems is probably slight. On the other hand, workmen's compensation benefits tend to increase during periods of great industrial activity, because of an increase in industrial accidents. Consequently payments under the social insurance and related programs represented in this series show a smaller percentage decrease from July levels than is the case with the selected social insurance and related payments. In each series the decrease in total payments was largely a result of a 9.6-percent decrease in payments under State unemployment compensation laws.

Table 1.—Income payments in the continental United States, by specified period, 1936-41¹

[In millions]

Year and month ²	Total	Compensation of employees ³	Entrepreneurial income, net rents, and royalties	Dividends and interest	Work relief ⁴	Direct relief ⁵	Social insurance and related payments ⁶	Veterans' bonus
Calendar year:								
1936.....	\$68,114	\$39,771	\$13,533	\$9,700	\$2,155	\$672	\$856	\$1,427
1937.....	72,213	44,344	14,586	9,762	1,639	837	917	128
1938.....	66,584	40,833	13,139	8,026	2,094	1,008	1,426	58
1939.....	71,016	44,068	13,831	8,648	1,870	1,070	1,505	34
1940.....	75,706	47,847	14,384	9,085	1,577	1,096	1,688	29
1940								
August.....	6,335	4,028	1,180	762	121	90	150	4
September.....	6,405	4,081	1,219	765	115	87	136	2
October.....	6,487	4,135	1,229	771	127	90	133	2
November.....	6,534	4,179	1,245	768	121	90	129	2
December.....	6,681	4,303	1,258	763	128	93	132	2
1941								
January.....	6,816	4,416	1,263	765	131	96	143	2
February.....	6,909	4,538	1,243	768	125	96	138	1
March.....	6,952	4,558	1,260	771	126	96	140	1
April.....	6,995	4,601	1,269	775	121	95	133	1
May.....	7,197	4,778	1,298	777	111	95	137	1
June.....	7,332	4,910	1,304	785	104	94	134	1
July.....	7,430	4,987	1,326	795	94	92	135	1
August.....	7,517	5,037	1,368	800	87	92	132	1

¹ Compensation of employees, entrepreneurial income, net rents, and royalties, and dividends and interest adjusted for seasonal variation.

² For annual and monthly figures 1929-40, see the Bulletin, August 1941, table 1, pp. 74-76.

³ Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions.

⁴ Earnings of persons employed by the CCC, NYA, and WPA. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds.

⁵ Payments to recipients under the 3 Federal assistance programs and general relief, and the value of surplus-food stamps issued by the Surplus Marketing Administration under the food stamp plan.

⁶ Represents payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance.

Source: U. S. Department of Commerce, National Income Division.

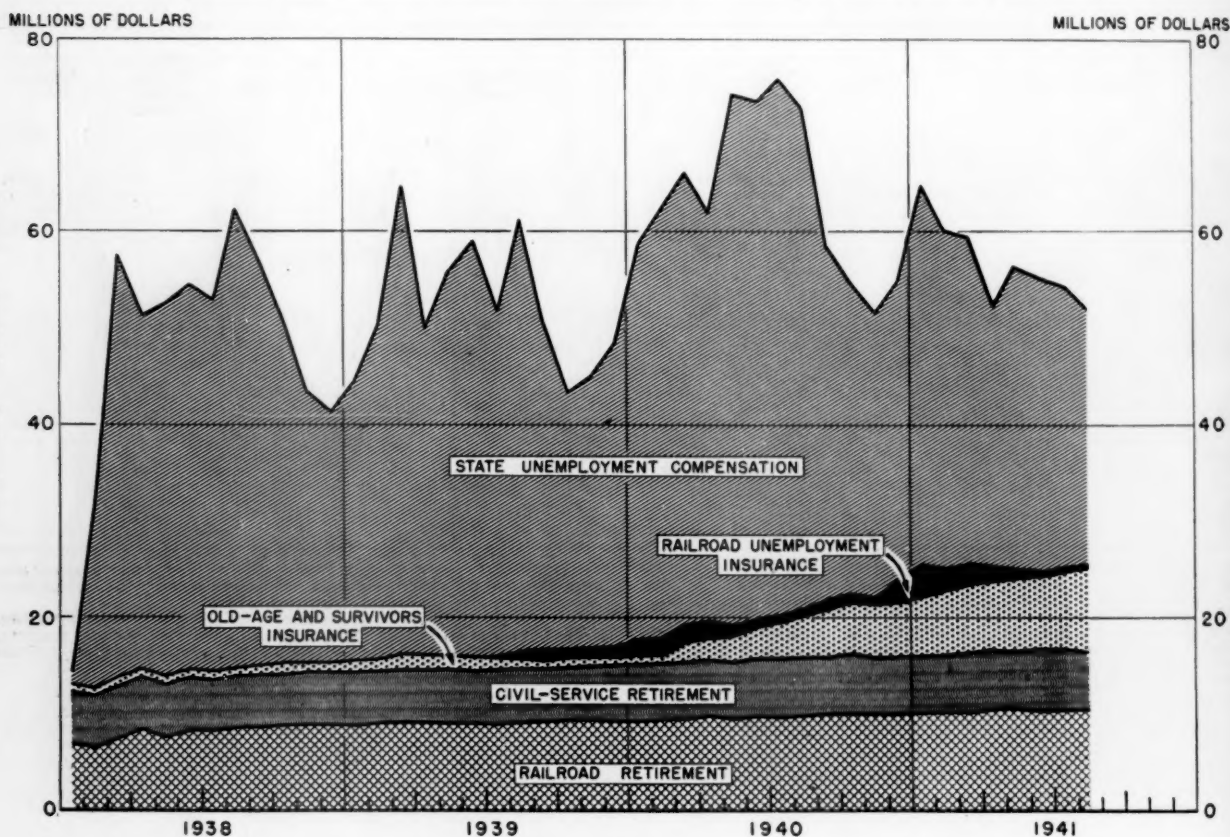
Payments Under Selected Social Insurance and Related Programs

In August, total payments under the selected social insurance and retirement programs included in this series decreased 4.6 percent from the July level and 28 percent from the August 1940 level (chart 1 and table 1). Only once during this period have total monthly payments been as low as the August total of \$52.1 million. Payments under the various retirement and survivor programs showed a slight increase of 0.3 percent, while unemployment insurance payments declined 8.8 percent from July levels. Total retirement and survivors payments have increased continuously for the past 9 months and have become an increasingly important proportion of the aggregate payments—47 percent in August as contrasted with 41 percent in November 1940. The increase in the relative importance of these payments reflects both an absolute increase in the amounts paid out under the retirement and survivor programs and an abso-

lute decline in the amounts paid out under the unemployment insurance programs.

Monthly retirement benefits of \$4.9 million under the old-age and survivors insurance program of the Social Security Act represented an increase of 3.9 percent over the preceding month. These payments are increasing at a faster rate than benefits to annuitants under the older retirement programs. Survivor payments under the old-age and survivors insurance program increased 4.8 percent to \$2.3 million. Payments under the State unemployment compensation laws decreased 9.6 percent to \$26.5 million. Under the Railroad Unemployment Insurance Act, however, benefit payments increased by more than half the July figure. The 55-percent increase in payments under this act represented a reversal of the downward trend in benefit expenditures which began in February. This increase in August does not indi-

Chart 1.—Payments under selected social insurance and retirement programs, January 1938–August 1941



cate an increase in unemployment among railroad workers, however. It reflects both a resumption in the payment of benefits to unemployed workers whose benefit rights were exhausted for the benefit year ended June 30, 1941, but who became eligible for benefits in the new benefit year beginning July 1, 1941, and an increase over July in the number of compensable days of unemployment in registration periods ending within the month.

Lump-sum death payments under the various acts aggregated \$1.8 million in August. Payments of \$1.2 million under the Social Security Act included about \$11,000 paid under the 1935 act. Payments under the 1939 amendments with respect to the deaths of 8,200 covered workers who left no survivor currently entitled to monthly

benefits amounted to more than \$1.1 million. Both the amount of the lump-sum payments and the number of beneficiaries under each of the survivor programs showed decreases.

In general, changes in the number of beneficiaries (table 2) are directly related to changes in the amount of payments. There were a few exceptions, however. The number of annuitants on the rolls of the Civil Service Commission increased slightly, while the total retirement and disability payments showed a slight decrease. Moreover, the average weekly number of beneficiaries under the State unemployment compensation laws was only 6.4 percent less in weeks ended in August than in weeks ended in July, although total benefits in the calendar month declined 9.6

Table 1.—Payments under selected social insurance and retirement programs, by specified period, 1936-41¹

[In thousands]

Year and month	Total	Retirement and survivor payments									Refunds under the Civil Service Commission to employees leaving service ⁵	Unemployment insurance payments			
		Total	Monthly retirement payments ¹			Survivor payments ²						Total	State unemployment compensation laws ³	Railroad Unemployment Insurance Act ¹⁰	
			Social Security Act ¹	Railroad Retirement Act ⁴	Civil Service Commission ¹	Monthly payments		Lump-sum payments							
						Social Security Act ⁷	Railroad Retirement Act ⁴	Social Security Act ⁸	Railroad Retirement Act ⁴	Civil Service Commission ¹					
Calendar year:															
1936.....	\$59,372	\$56,377		\$683	\$51,630			\$2		\$4,062	\$2,864	\$131	\$131		
1937.....	105,429	99,818		40,001	53,694			444	\$1,278	4,401	3,479	2,132	2,132		
1938.....	569,367	169,640		96,749	56,118			1,400	10,478	4,004	3,326	396,401	396,401		
1939.....	626,270	187,837		107,282	58,331			1,451	13,895	1,926	4,952	435,587	429,820		\$5,767
1940.....	765,809	226,533	\$21,242	114,167	62,019	\$7,617	1,448	11,734	2,496	5,810	3,277	535,999	520,110	15,889	
1940															
August.....	72,751	19,723	2,339	9,639	5,238	799	118	857	183	550	338	52,690	51,701	989	
September.....	58,366	20,472	2,681	9,696	5,254	952	121	1,100	253	415	273	37,621	36,595	1,026	
October.....	54,695	21,187	2,977	9,753	5,246	1,132	132	1,118	236	593	327	33,181	32,231	950	
November.....	51,633	20,968	3,066	9,738	5,262	1,196	124	939	178	465	332	30,333	29,561	772	
December.....	54,875	21,296	3,304	9,695	5,288	1,280	124	982	206	417	286	33,293	30,887	2,406	
1941															
January.....	64,840	21,929	3,603	9,739	5,312	1,393	120	1,063	221	478	266	42,645	39,270	3,375	
February.....	59,859	22,532	3,757	9,899	5,307	1,602	124	1,225	187	431	259	37,068	34,611	2,457	
March.....	59,371	23,194	4,030	9,792	5,360	1,762	125	1,241	226	658	324	35,853	33,608	2,245	
April.....	52,344	23,595	4,185	9,960	5,392	1,828	130	1,111	411	578	301	28,448	26,998	1,450	
May.....	56,486	23,680	4,386	10,003	5,401	1,928	133	1,080	367	382	384	32,422	31,574	848	
June.....	55,330	23,950	4,530	9,973	5,387	2,020	135	1,026	242	637	373	31,007	30,530	477	
July.....	54,451	24,466	4,759	9,964	5,418	2,160	131	1,179	317	538	337	29,648	29,293	355	
August.....	52,054	24,537	4,945	9,999	5,406	2,264	133	1,155	278	357	484	27,033	26,483	550	

¹ Payments to individual beneficiaries under programs; data exclude cost of administration. For detailed data, see tables in program sections of the Bulletin.

² Represent old-age retirement benefits under all acts and disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts.

³ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment; represent primary benefits, wife's benefits, and benefits to children of primary beneficiaries. Distribution by type of benefit partly estimated for 1940.

⁴ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment, minus cancellations, during month ended on 20th calendar day.

⁵ Principally payments under civil-service retirement and disability fund but includes also payments under Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by the Civil Service Commission. Includes accrued annuities to date of death paid to survivors. Data for calendar years 1936-39 estimated on basis of data for

fiscal years. For discussion of benefits and beneficiaries under the Civil Service Retirement Act, see the Bulletin, April 1941, pp. 29-42.

⁶ See footnotes 5 and 8.

⁷ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment; represent widow's benefits, widow's current benefits, parent's benefits, and orphan's benefits. Distribution by type of benefit partly estimated for 1940.

⁸ Amounts certified to the Secretary of the Treasury for payment; represent payments at age 65 for 1937-August 1939, payments with respect to deaths of covered workers prior to Jan. 1, 1940, for entire period, and beginning January 1940 payments with respect to deaths of covered workers after Dec. 31, 1939. Payments at age 65 totaling \$651,000 in 1937, \$4.7 million in 1938, and \$4.6 million in 1939, are not survivor payments.

⁹ Amount of checks issued, reported by State agencies to the Bureau of Employment Security.

¹⁰ Amounts certified by regional offices of the Railroad Retirement Board to disbursing officers of the Treasury in the same city.

percent. The percentage increase in total benefits paid under the Railroad Unemployment Insurance Act was more than twice as great as the increase in the number of beneficiaries, reflecting the increase in average payments for registration periods ending in the month. In July such payments were low because claimants starting the new benefit year had a higher ratio of uncompensated unemployment as a result of the waiting-period requirements than was the case in August. The percentage decrease in lump-sum payments made by the Civil Service Commission was twice as great as the decrease in the number of beneficiaries receiving such payments.

August was the first month in which monthly beneficiaries under the various retirement and survivor programs outnumbered the current

beneficiaries under the unemployment insurance systems. About 598,000 different individuals were reported as receiving monthly benefits under the former programs as compared with 584,000 under the latter. The 376,000 beneficiaries under the old-age and survivors insurance program include 178,000 retired workers, the wives of 49,000 of these workers and 12,000 of their children under 18, as well as 137,000 survivors of deceased workers or annuitants;¹ they probably represent some 238,000 families. Since no supplementary benefits are provided under the Railroad Retirement Act or the three acts administered by the Civil Service Commission, the 151,000 retired railroad workers and 68,000 retired Government workers represent 219,000 different families.

¹ See table 3, p. 69.

Table 2.—Individuals receiving payments under selected social insurance and retirement programs, by month, August 1940–August 1941

[In thousands]

Year and month	Retirement and survivor beneficiaries								Separated employees receiving refunds under the Civil Service Commission ⁹	Unemployment insurance beneficiaries	
	Monthly retirement beneficiaries			Survivor beneficiaries						State unemployment compensation laws ¹⁰	Railroad Unemployment Insurance Act ¹¹
	Social Security Act ¹	Railroad Retirement Act ²	Civil Service Commission ³	Monthly beneficiaries		Lump-sum beneficiaries ⁴					
				Social Security Act ⁵	Railroad Retirement Act ⁶	Social Security Act ⁷	Railroad Retirement Act	Civil Service Commission ⁸			
1940											
August.....	101.6	143.0	63.8	41.8	3.1	6.7	1.0	0.5	1.6	1,121.8	31.1
September.....	115.6	143.9	64.4	49.3	3.2	8.6	1.3	.4	1.6	875.4	37.8
October.....	130.9	144.9	64.6	59.1	3.2	8.6	1.1	.6	1.7	698.1	28.9
November.....	140.7	145.6	65.0	66.7	3.2	7.2	.9	.7	1.5	676.1	20.3
December.....	150.6	146.0	65.2	75.1	3.3	7.3	1.0	.6	1.6	666.6	73.7
1941											
January.....	164.8	146.4	65.5	83.3	3.3	7.8	1.0	.9	1.7	825.7	77.6
February.....	175.0	147.3	65.5	92.9	3.3	9.1	.8	.5	1.7	806.4	63.2
March.....	190.7	147.6	66.1	101.2	3.3	9.1	1.0	.7	1.9	761.7	55.6
April.....	200.8	148.1	66.3	108.7	3.4	8.2	1.7	.6	2.0	589.6	38.5
May.....	211.1	148.9	66.8	115.8	3.4	7.9	1.5	.4	2.5	659.0	20.7
June.....	218.8	149.6	66.9	122.4	3.4	7.4	1.0	.6	2.6	682.9	11.4
July.....	229.0	150.2	67.1	129.9	3.5	8.6	1.3	.6	2.5	611.1	10.0
August.....	239.2	150.6	67.5	137.1	3.5	8.5	1.1	.5	3.3	571.9	12.0

¹ Primary beneficiaries and their wives and children, for whom monthly benefits were certified to the Secretary of the Treasury during month. Distribution by type of benefit partly estimated for 1940.

² Employee annuitants and pensioners on roll at end of month; include disability annuitants.

³ Annuitants under Civil Service, Canal Zone, and Alaska Railroad Retirement Acts; represents age and disability retirements, voluntary and involuntary retirements after 30 years' service, and involuntary separations after not less than 15 years' service. Figures not adjusted for suspension of annuities of persons who have returned to work in the War and Navy Departments under the National Defense Act of June 28, 1940, numbering 426 in August 1941.

⁴ Widows, parents, and orphans for whom monthly benefits were certified to the Secretary of the Treasury during month. Distribution by type of benefit partly estimated for 1940.

⁵ Widows receiving survivor benefits under joint and survivor elections and

next of kin receiving death-benefit annuities for 12 months. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1.

⁶ Number of deceased wage earners with respect to whose wage records payments were made to survivors.

⁷ Represents deceased wage earners whose survivors received payments under either 1935 or 1939 act.

⁸ See footnote 3 for programs covered. Represents survivors of employees who died before retirement age and of annuitants with unexpended balances.

⁹ See footnote 3 for programs covered.

¹⁰ Represents average number of weeks of unemployment compensated in calendar weeks ended within month.

¹¹ Number of individuals receiving benefits during second and third weeks of month for days of unemployment in registration periods of 15 consecutive days through November 1940 and of 14 days thereafter.

Financial and Economic Data

The first effects of defense production on employment and pay rolls in different localities, as reflected in income payments in 1940, were well diffused, according to the Department of Commerce. In an article presenting the estimates of State income payments in 1940, it is stated that the impact of the program in increasing national income in 1940 "was surprisingly uniform as among the different regions. The evidence is clear, therefore, that the stimulus of defense production was having favorable repercussion on an almost Nation-wide basis."¹

The apparent discrepancy between the centralization of defense contracts about a few focal areas and the widespread effect of the program on income is easily explained. Too much significance should not be attached to the geographic distributions apparent in the published figures on defense contracts, for the following reasons.

The location cited is frequently that of the company's main office, not the establishment where the work is done; in the case of a company whose offices and plants are geographically separated, the initial impact of the contract on employment and income may fall in a region other than that to which the contract is attributed. Moreover, in the case of a plant which receives a defense contract but has to order raw or semi-finished materials from another locality, the secondary contracts for these materials serve to spread the defense work.

Though the actual work may be widely distributed, the big manufacturing States and those with shipbuilding facilities are likely to continue to receive a large share of primary contracts awarded, since defense orders must be related to existing capacities. This influence will probably become of decreasing importance as the program for defense subcontracting becomes more effective.

During the period in which the Navy Department awards were included, the contract and production figures were greatly influenced by activity in the seaboard States, because of the localization of shipbuilding. However, the omission of Navy figures from the published totals of contract awards tends to obscure this emphasis.

¹ Cone, Frederick M., "Income Payments by States," *Survey of Current Business*, Vol. 21, No. 8 (August 1941), p. 11.

This trend, too, may be counterbalanced in part by the recent movement toward the construction on inland waterways of certain types of shipping.

The timing of the contract awards is not the same as the timing of actual expenditures. The award of a ship contract, for example, covers expenditures for perhaps 5 or 6 years; the award of a contract for some thousands of pairs of Army shoes may represent a single expenditure item in a particular month. These differences in the rate at which defense expenditures are made in different localities are not apparent in the contract figures.

In addition to the impact on local activities, the relative timing of expenditures is an important influence in the effect of contract awards on the Nation-wide movements in income and production. It can, of course, be said that employment, pay rolls, and income throughout the country generally have increased as a result of these contracts. The most immediate danger to employment and pay rolls in certain locations, however, is the so-called "priorities" unemployment. Any marked decline in pay rolls attributable to priorities, labor shortages, or economic dislocation of any sort, unless offset by an increase in defense activities, will be reflected later in social security tax receipts.

Receipts and Expenditures

Social security tax receipts accounted for 21 percent of total Federal receipts during July and August 1941, as compared with 18 percent last year (table 1). The relative importance of social security taxes in total Federal receipts will be changed markedly when total receipts are increased through tax legislation recently enacted for defense purposes. The new levies imposed by the Revenue Act of 1941, some of which went into effect on October 1, have been estimated by Treasury experts to raise approximately \$3.5 billion in the next calendar year and to bring total Federal receipts for that period to well over \$13 billion. The lower personal exemptions for individual income taxes will require thousands of individuals to file returns and pay income taxes for the first time.

Collections of \$159.5 million under the Federal Insurance Contributions Act in August represented a new high for any month of operation

under the program and exceeded collections in August 1940 by \$35.7 million (table 2). They were \$9.8 million above those in May, the corresponding month of the previous quarter. The combined total for the 2 months of July and August was \$204.3 million, which already exceeds collections for any other previous 3-month period. These receipts are based mainly on pay rolls in April, May, and June, during which time the

Bureau of Labor Statistics unadjusted index of pay rolls in manufacturing rose from the March level of 131.2 to 152.1 in June. In the first 2 months of the current quarter the upward trend in production and employment continued, although at a slackened rate. Since the same trend is persisting in September, collections in the last quarter of the calendar year 1941 will be at an even higher level.

Table 1.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936-41

(In millions)

Period	General and special accounts										Excess receipts (+) or expenditures (-)	Trust accounts, etc., ⁷ excess receipts (+) or expenditures (-)	Change in general fund balance	Public debt				
	Receipts of Federal Government				Expenditures ⁴ of Federal Government									Total	Old-age and survivors insurance trust fund	Unemployment trust fund ⁸	Railroad retirement account	All other
	Total ¹	Social security taxes ²	Railroad retirement and unemployment taxes ³	All other	Total ¹	Administrative expenses and grants to States ⁴	Net appropriations and transfers to old-age and survivors insurance trust fund	Under the Railroad Retirement Board		All other								
								Administrative expenses ⁴	Transfers to railroad retirement account									
Fiscal year:																		
1936-37	\$5,294	\$252	(⁵)	\$5,042	\$8,442	\$183	\$265	\$1		\$7,993	-\$3,149	+\$374	-\$128	\$36,425	\$267	\$312		\$35,846
1937-38	6,242	604	\$150	5,488	7,626	291	387	3	\$146	6,799	-1,384	+306	-338	37,165	662	872	\$66	35,565
1938-39	5,668	631	109	4,928	9,210	342	503	3	107	8,255	-3,542	+890	+622	40,440	1,177	1,267	67	37,929
1939-40	5,925	712	126	5,087	9,537	379	539	8	121	8,490	-3,612	+137	-947	42,968	1,738	1,710	79	39,441
1940-41	8,269	788	144	7,337	13,372	447	661	7	124	12,133	-5,103	-148	+742	48,961	2,381	2,273	74	44,233
2 months ended:																		
August 1939	728	150	5	573	1,629	79	91	1	40	1,418	-901	-157	-607	40,891	1,263	1,382	77	38,160
August 1940	933	171	8	754	1,679	99	155	1	46	1,378	-746	+371	+563	43,905	1,728	1,808	85	40,284
August 1941	1,000	214	7	788	3,327	102	200	2	46	2,977	-2,318	+598	+240	50,921	2,361	2,479	102	45,979
1940																		
August	566	132	7	427	825	34	119	1	26	645	-259	+320	+196	43,905	1,728	1,808	85	40,284
September	711	3	26	682	760	17	1	1	10	731	-49	-158	-39	44,073	1,876	1,790	85	40,322
October	365	37	(⁵)	328	901	57	32	(⁵)		812	-536	-24	-495	44,137	1,871	1,821	85	40,360
November	485	133	5	347	940	37	123	1	20	759	-455	+216	-103	44,273	1,866	1,934	85	40,388
December	741	4	31	706	1,173	19	1	(⁵)		1,153	-432	-209	+111	45,025	2,016	1,945	85	40,979
1941																		
January	372	46	1	325	1,142	53	32	(⁵)	10	1,047	-771	+15	+97	45,877	2,006	1,974	85	41,812
February	674	188	5	481	1,208	30	132	1	20	1,025	-534	-3	-324	46,090	2,002	2,087	85	41,916
March	1,567	4	31	1,532	1,400	36	(⁵)	1	10	1,353	+167	-236	+1,014	47,173	2,161	2,077	85	42,850
April	602	42	1	559	1,352	49	37	1	8	1,257	-750	+402	-290	47,231	2,151	2,117	85	42,878
May	541	157	8	376	1,288	35	147	1		1,105	-747	-264	-521	47,721	2,146	2,254	84	43,257
June	1,277	4	28	1,245	1,530	17	1	1		1,511	-252	-259	+729	48,961	2,381	2,273	74	44,233
July	456	47	1	408	1,640	60	43	1	46	1,490	-1,185	+599	-34	49,513	2,371	2,333	108	44,701
August	554	167	6	381	1,687	43	157	1		1,486	-1,133	-2	+274	50,921	2,361	2,479	102	45,979

¹ Beginning July 1940, appropriations to old-age and survivors insurance trust fund minus reimbursements to the Treasury for administrative expenses are excluded from net receipts and expenditures of general and special accounts of the Treasury. These net appropriations are included here in both total receipts and expenditures for comparison with previous periods.

² Represents collections under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act.

³ Represents total collections under the Carriers Taxing Act and 10 percent of collections under the Railroad Unemployment Insurance Act (see table 2, footnote 5).

⁴ Excludes public-debt retirement. Based on checks cashed and returned to the Treasury.

⁵ Excludes funds for vocational rehabilitation program of the Office of Education and for disease and sanitation investigations of the Public Health Service (see table 3, footnote 1); also excludes grants to States for employment service administration under the Wagner-Peyser Act. Such grants are included in "all other." Also excludes administrative expenses incurred by the Treasury prior to July 1940 in administration of title II of the Social

Security Act and the Federal Insurance Contributions Act. Includes expenses incurred by the Social Security Board in administration of the Wagner-Peyser Act, beginning July 1940.

⁶ Includes expenditures for administration of railroad unemployment insurance, amounting to \$500,000 in 1938-39, \$5.0 million in 1939-40, \$3.4 million in 1940-41, and \$195,000 in 1941-42; also includes \$1,627,000 expended since April 1941 for acquisition of service and compensation data of railroad workers in accordance with Public Res. 102, approved Oct. 9, 1940.

⁷ Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

⁸ Beginning July 1939, contains separate book account for railroad unemployment insurance account and for each State employment security agency.

⁹ Less than \$500,000.

¹⁰ Excludes amounts reimbursed to the Treasury for administrative expenses, which were part of transfer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

The accompanying tabulation shows quarterly averages for three major economic indexes since 1939 and Federal insurance contributions based on pay rolls of the same periods.

Year and quarter	Index of industrial production ¹	Index of factory employment ²	Index of factory pay rolls ³	Federal insurance contributions (in millions)
1939				
First.....	99	95.9	86.9	\$133.3
Second.....	100	96.4	87.0	139.5
Third.....	107	99.9	90.8	141.8
Fourth.....	125	107.5	103.9	153.1
1940				
First.....	114	104.8	99.6	148.6
Second.....	116	102.9	98.4	161.2
Third.....	122	107.3	105.1	164.7
Fourth.....	135	114.9	118.3	162.8
1941				
First.....	138	117.7	126.2	170.9
Second.....	150	125.1	143.6	192.2
Third (2 months).....	(⁴)	(⁴)	(⁴)	204.3

¹ Based on unadjusted monthly index of Federal Reserve Board; 1935-39=100.

² Based on unadjusted index of U. S. Bureau of Labor Statistics; 1923-25=100.

³ Not available.

The production index rose 8.7 percent from the first quarter of 1941 to the second; the indexes of factory employment and factory pay rolls rose 6.3 and 13.8 percent, respectively, during the same period. As indicated by the first 2 months' receipts, insurance contributions will show approximately an 8-percent rise from the second quarter of 1941 to the third, the corresponding period for this series, since contributions in any quarter are paid with respect to employment during the preceding quarter. Insurance contributions do not show as large a rise as production and pay rolls because they reflect activity in all covered employment, whereas the indexes cover types of enterprise peculiarly sensitive to defense orders. The industrial-production index relates only to manufacturing and mining, and excludes construction, services, trade, finance, transportation, and utilities—groups which are largely represented in insurance contributions. The indexes of employment and pay rolls shown here are even more limited, since they refer solely to manufacturing.

As in July, living costs increased, rising to 106.0 by mid-August, a point 7.5 percent higher than that of August 1939 when war broke out in Europe. More than 5 percent of this increase has occurred since the beginning of 1941. During the past month, food and clothing costs showed the greatest advance.

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Collections under the Federal Unemployment Tax Act amounted to \$7.5 million in August, a decrease of 8.1 percent from August 1940 (table 2). For the 8-month period ended August 31, 1941, these taxes equaled \$86.9 million, as compared with \$93.5 million in the same period of 1940. The decrease is explained primarily by the fact

Table 2.—Social insurance taxes under selected programs, by specified period, 1936-41

(In thousands)

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions ¹	Taxes on carriers and their employees ²	State unemployment contributions ³	Federal unemployment taxes ⁴	Railroad unemployment insurance contributions ⁵
Cumulative through August 1941.....	\$2,738,698	\$524,152	\$3,835,899	\$463,634	\$117,952
Fiscal year:					
1936-37.....	194,346	345	(⁶)	7,751	-----
1937-38.....	514,406	150,132	(⁶)	90,104	-----
1938-39.....	530,358	109,257	803,007	100,869	-----
1939-40.....	604,604	120,967	853,955	107,523	49,167
1940-41.....	600,555	136,942	888,442	97,677	68,162
2 months ended:					
August 1939.....	139,259	5,143	199,409	10,733	-----
August 1940.....	161,893	7,582	200,121	8,636	1,192
August 1941.....	204,340	6,509	254,020	9,711	623
1940					
August.....	123,829	7,052	95,623	8,132	1,180
September.....	2,759	24,587	7,861	584	15,065
October.....	34,500	366	115,721	2,747	22
November.....	125,124	4,804	85,117	7,998	868
December.....	3,141	29,166	12,464	558	16,331
1941					
January.....	33,923	604	129,532	12,082	44
February.....	134,433	5,414	88,561	53,475	560
March.....	2,588	28,951	6,867	918	16,739
April.....	39,228	1,371	127,940	2,447	70
May.....	149,679	7,979	105,763	7,453	957
June.....	3,286	26,120	8,495	790	16,306
July.....	44,815	872	146,570	2,234	50
August.....	159,525	5,638	107,400	7,477	573

¹ Tax effective Jan. 1, 1937, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. A, sec. 1426), payable by employers and employees.

² Tax effective Mar. 1, 1936, based on wages for employment as defined in Carriers Taxing Act, payable by carriers and employees.

³ Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. For differences in State rates, see p. 57, table 8, footnote 1. Data include contributions based on wages from railroad industry prior to July 1, 1939. Subsequent transfers from State accounts to railroad unemployment insurance account in unemployment trust fund, amounting to \$105.9 million as of Aug. 31, 1941, are not deducted. Figures reported by State agencies, corrected to Aug. 31, 1941.

⁴ Tax effective Jan. 1, 1936, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. C, sec. 1607), payable by employers only. Amounts represent Federal tax collections after deduction for amounts paid into State unemployment funds on covered wages earned in previous calendar year.

⁵ Tax effective July 1, 1939, based on wages for employment as defined in Railroad Unemployment Insurance Act, payable by employers only. Computed from data in Daily Statement of the U. S. Treasury. Represents 10 percent which is deposited with the Treasury and appropriated to railroad unemployment insurance administration fund for expenses of the Railroad Retirement Board in administering act, and 90 percent which is deposited in railroad unemployment insurance account in unemployment trust fund and is not included in receipts of general and special accounts of the Treasury. Amounts, therefore, differ from figures on p. 80, table 1, which represent only the 10 percent deposited with the Treasury.

⁶ Not available.

⁷ Includes \$40.6 million subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to Federal Government.

that, beginning with 1940 pay rolls, the taxes were limited to the first \$3,000 of a worker's wages or salary. Decreases from the comparable 8-month period of 1940 occurred in internal revenue collection districts in 17 States. In this group were seven States which did not make collections under their State laws in 1939 on wages in excess of \$3,000; however, taxes at the full 3-percent Federal rate on amounts in excess of \$3,000 were included in the Federal unemployment tax col-

Table 3.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1940-42¹

[In thousands]

Item	Fiscal year 1940-41		Fiscal year 1941-42	
	Appropriations ²	Expenditures through August ³	Appropriations ²	Expenditures through August ³
Total.....	\$440,894	\$308,593	\$463,829	\$102,487
Administrative expenses.....	27,694	5,340	26,129	5,385
Federal Security Agency, Social Security Board ⁴	27,220	4,345	25,655	4,191
Department of Labor, Children's Bureau.....	364	64	364	63
Department of Commerce, Bureau of the Census.....	110	26	110	17
Department of the Treasury ⁵	(9)	905	(9)	1,114
Grants to States.....	413,200	93,253	437,700	97,102
Federal Security Agency.....	402,000	90,931	426,500	95,579
Social Security Board.....	391,000	88,455	415,500	92,876
Old-age assistance.....	245,000	57,350	270,000	59,357
Aid to dependent children.....	75,000	13,986	74,000	14,784
Aid to the blind.....	10,000	1,631	9,000	1,728
Unemployment compensation administration.....	61,000	7 15,489	62,500	7 17,008
Public Health Service: Public health work.....	11,000	2,476	11,000	2,703
Department of Labor, Children's Bureau.....	11,200	2,322	11,200	1,523
Maternal and child health services.....	5,820	1,166	5,820	865
Services for crippled children.....	3,870	782	3,870	321
Child welfare services.....	1,510	373	1,510	337

¹ Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$113,000 was appropriated for 1940-41 and \$112,000 for 1941-42 for administration in the Office of Education, and \$2 million for 1940-41 and \$2,650,000 for 1941-42 for grants to States. For disease and sanitation investigations of the Public Health Service, appropriations were \$1,625,000 for 1940-41 and \$1,665,000 for 1941-42 in addition to grants to States shown in this table.

² Excludes unexpended balance of appropriations for previous fiscal year.

³ Based on checks cashed and returned to the Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

⁴ Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of the Treasury. Includes amounts for administration of the Wagner-Peyser Act.

⁵ Represents amounts expended by the Treasury in administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury.

⁶ Not available.

⁷ Includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program. Excludes grants to States for employment service administration under the Wagner-Peyser Act, for which \$3 million was appropriated for 1940-41 and \$3,100,000 for 1941-42.

Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures).

lections during 1940. Of the seven States, New York alone accounted for a decline of \$7.1 million in 1941 collections, while the remaining six showed a total decline of \$933,000.

State unemployment contributions, which are larger in volume and more significant in their seasonal and cyclical fluctuations, showed a rise of 14 percent for the first 8 months of 1941 as compared with the corresponding period of 1940, despite the fact that in 1941 many States changed the contribution rate to agree with the \$3,000 maximum in the Federal act. Like Federal insurance contributions, the increase in these receipts reflects the improved employment and payroll conditions.

Federal expenditures during the first 2 months of the fiscal year amounted to \$3,327 million, almost twice as much as similar expenditures in July and August of 1940 (table 1). Expenditures under the Social Security Act and the Railroad Retirement Board during July and August accounted for 10.5 percent of this total in 1941 as compared with 17.9 percent in 1940. The decline in proportion in 1941 results from the large increase in other Government expenditures occasioned by defense requirements. Grants to States and administrative expenses under the Social Security Act for the current fiscal year amounted to \$102.5 million, an increase of \$3.9 million over the corresponding period of last year (table 3). Grants to States for old-age assistance accounted for \$2.0 million of this increase, and grants for unemployment compensation administration accounted for \$1.5 million.

Old-Age and Survivors Insurance Trust Fund

Total assets of the old-age and survivors insurance trust fund increased \$149 million in August, reflecting the large amount of contributions appropriated to the trust fund (table 4). Although total assets were at the highest level since the introduction of the program, investments held were \$10 million less than those of the preceding month and \$20 million less than those held at the end of the fiscal year 1940-41.

Appropriations of \$159.5 million in August were made available to the trust fund. This amount, equal to tax collections under the Federal Insurance Contributions Act, was credited to the fund account, pending the usual end-of-quarter investment in special Treasury notes. During August,

3-percent special Treasury notes amounting to \$10 million were redeemed, and the resulting cash was made available to the disbursing officer; the accrued interest on these notes, \$40,000, was credited to the fund account.

Benefit payments under the old-age and survivors insurance program, on a checks-cashed basis, continued to rise and amounted to \$7.9 million in August, an increase of 5.9 percent over the preceding month.

Railroad Retirement Account

In August \$6.0 million of Treasury notes were sold and made available for benefit payments, which amounted to \$10.3 million (table 5). Total assets of the account at the end of August amounted to \$207.3 million, consisting of \$101.9 million in Treasury notes, \$10.9 million in cash credited to the disbursing officer, and \$94.5 million credit in the general fund of the Treasury.

Unemployment Trust Fund

Deposits in State accounts in the unemployment trust fund were \$175.9 million in August,

the highest for any month since the program began (table 6). Deposits for the first 2 months of the current fiscal year, based on collections with respect to employment in April, May, and June, totaled \$253.9 million, a record amount for the first 2 months of a quarter and an increase of 9.1 percent over deposits in the first 2 months of the previous quarter. Withdrawals for benefit payments during the month continued their downward trend and fell below \$25 million, the smallest amount for any month since October 1939. In August 1940, \$52 million was withdrawn. For the first 8 months of 1941, State withdrawals for benefit payments were 36 percent less than in the corresponding period of 1940. The effect of mass lay-offs in specified industries because of priority shortages, not yet apparent in the withdrawal data, may be offset by expected seasonal increases in employment in trade and the Government program to reabsorb displaced workers in other industries.

Deposits in the railroad unemployment insurance account amounted to \$516,000 during the month. Benefit payments of \$487,000 to railroad

Table 4.—Status of the old-age and survivors insurance trust fund, by specified period, 1936–41

[In thousands]

Period	Receipts ¹		Expenditures		Assets				
	Contributions appropriated to trust fund ²	Interest received ³	Benefit payments ⁴	Reimbursement for administrative expenses	Special Treasury notes acquired ⁵		Cash with disbursing officer at end of period	Credit of fund account at end of period ⁶	Total assets at end of period
					3-percent	2½-percent			
Cumulative through August 1941.....	\$892,481	\$143,122	\$114,840	\$43,531	\$1,032,500	\$1,328,100	\$15,400	\$206,231	\$2,582,231
Fiscal year:									
1936-37.....		2,262	27		267,100		73	62	267,235
1937-38.....		15,412	5,404		395,200		1,931	113,012	777,243
1938-39.....		26,951	13,892		514,900		3,036	66	1,180,302
1939-40.....		42,489	15,805	12,288	236,000	324,900	6,098	500	1,744,698
1940-41.....	688,141	55,958	64,342	26,840	-360,700	1,003,200	10,778	6,238	2,397,615
2 months ended:									
August 1939.....			2,711		86,000		5,325	459,067	1,727,591
August 1940.....	159,477	27	6,682	4,442	-10,000		9,413	155,565	1,893,078
August 1941.....	204,340	49	15,371	4,403	-20,000		15,400	206,231	2,582,231
1940									
August.....	121,413	17	3,565	2,221	-5,000		9,413	155,565	1,893,078
September.....	2,761	77	3,878	2,221	-11,500	159,000	10,370	3,848	1,889,817
October.....	34,500	42	4,942	2,407	-5,000		10,426	35,965	1,917,011
November.....	125,124	54	4,783	2,407	-5,000		10,640	158,760	2,035,000
December.....	3,141	171	5,169	2,438	-12,100	163,000	10,416	3,789	2,030,706
1941									
January.....	33,923	164	5,422	2,095	-10,000		14,992	35,783	2,057,275
February.....	134,433	96	5,887	2,095	-5,000		14,101	168,221	2,183,822
March.....	2,588	241	6,718	2,126	-11,200	171,000	12,262	4,246	2,177,808
April.....	39,228	239	6,751	2,203	-10,000		15,506	41,514	2,208,321
May.....	149,679	131	6,975	2,203	-5,000		13,527	189,126	2,348,953
June.....	3,286	54,715	7,135	2,203	-275,900	510,200	10,778	6,238	2,397,615
July.....	44,815	9	7,465	2,201	-10,000		13,310	48,864	2,432,774
August.....	159,525	40	7,906	2,201	-10,000		15,400	206,231	2,582,231

¹ Transfers to trust fund from appropriations totaled \$1,705 million as of June 30, 1940; for fiscal year 1936-37, \$265 million was transferred; for 1937-38, \$387 million; for 1938-39, \$503 million; and for 1939-40, \$550 million.

² Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

³ Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

⁴ Based on checks cashed and returned to the Treasury.

⁵ Minus figures represent notes redeemed.

⁶ Prior to July 1940, includes balance of appropriation available for transfer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

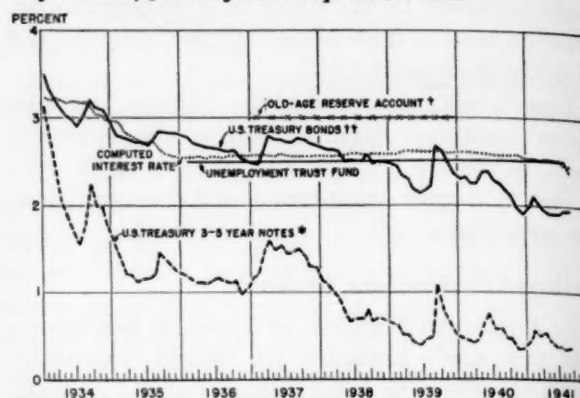
workers showed a rise from the previous month for the first time this year. This rise is due to the fact that the Railroad Unemployment Insurance Act as amended provides for a uniform benefit year beginning in July, the effect of which was not felt until August.

The large excess of receipts by the unemployment trust fund over withdrawals led to an addition of \$146 million in investments, bringing total investments to \$2,479 million. These investments are exclusively in the form of unemployment trust fund certificates of indebtedness and, to date, have always earned interest at the rate of 2.5 percent.

In August the computed or average rate of interest on the public debt fell below 2.5 percent for the first time since the creation of the social security trust funds. The August rate of 2.480 is attributable primarily to the change in composition of the public debt occasioned by the large sales of tax anticipation certificates, which carry a rate of interest below the former average on the public debt. Any decline in the rate of interest on the public debt, however small, facilitates Treasury borrowing for defense at low rates, an important factor in defense financing.

The Social Security Act provides that special

Chart 1.—Average yields on United States obligations and the computed rate of interest on the public debt, by month, January 1934–September 1941



†From Jan. 1, 1940, the interest rate on special obligations held by the old-age and survivors insurance trust fund is the same as that for the unemployment trust fund certificates.

††All Treasury bonds except those due or callable within 12 years.

*Refers to tax-exempt notes only.

issues to the two social security trust funds shall bear interest at a rate equal to the average rate of interest on the entire interest-bearing public debt outstanding at the end of the month next preceding the date of the special issue. It is further provided that, if this rate is not a multiple of $\frac{1}{8}$ of 1 percent, the rate on these special obligations becomes that multiple of $\frac{1}{8}$ of 1 percent next

Table 5.—Status of the railroad retirement account, by specified period, 1936–41

[In thousands]

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments ¹	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent Treasury notes	To credit of appropriation ²	To credit of disbursing officer	Total
Cumulative through August 1941.....	\$639,350	\$8,454	\$647,804	\$544,850	\$440,505	\$101,850	\$94,531	\$10,919	\$207,299
Fiscal year:									
Through June 1938.....	146,500	1,411	147,911	146,406	79,849	66,200	234	1,628	68,062
1938–39.....	118,250	2,202	120,452	107,094	105,774	67,200	13,206	2,334	82,740
1939–40.....	120,150	2,283	122,433	120,650	113,099	79,400	10,847	1,826	92,073
1940–41.....	113,600	2,534	116,134	124,350	121,174	74,000	2,503	10,530	87,033
1941–42 (through August).....	140,850	25	140,875	46,350	20,609	101,850	94,531	10,919	207,299
1940									
August.....				26,000	9,892	85,400	87,450	22,173	195,023
September.....				10,000	9,997	85,400	77,451	22,176	185,026
October.....	–9,000		–9,000	0	10,026	85,400	68,453	12,147	166,000
November.....				20,000	10,028	85,400	48,454	22,118	155,972
December.....				0	10,028	85,400	48,455	12,089	145,944
1941									
January.....				10,000	9,989	85,400	38,456	12,099	135,955
February.....				20,000	9,947	85,400	18,458	22,151	126,008
March.....				10,000	10,258	85,400	8,459	21,891	115,750
April.....				8,350	10,391	85,400	111	19,848	105,259
May.....		37	37	0	10,516	84,000	49	10,831	94,879
June.....		2,497	2,497	0	10,343	74,000	2,503	10,530	87,033
July.....	140,850		140,850	46,350	10,295	107,850	94,504	15,234	217,588
August.....		25	25	0	10,314	101,850	94,531	10,919	207,299

¹ Based on checks cashed and returned to the Treasury.

² Represents balances in appropriation and trust fund accounts including net credit from adjustments such as cancellations and repayments.

³ Appropriation reduced by transfer of \$9 million in October 1940 to prior-

service account for collection of service and compensation data of railroad workers prior to 1937.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

lower than the computed rate of interest. Therefore, any such obligations acquired by the funds

in September will bear an interest rate of 2.375 percent.

Table 6.—Status of the unemployment trust fund, by specified period, 1936–41¹

[In thousands]

Period	Total assets at end of period	Special Treasury certificates acquired ²	Unexpended balance at end of period	Undistributed interest at end of period ³	State accounts				Railroad unemployment insurance account				
					Deposits	Interest credited	Withdrawals ⁴	Balance at end of period	Transfers from State accounts	Deposits	Interest credited	Benefit payments	Balance at end of period
Cumulative through August 1941.....	\$2,488,016	\$2,479,000	\$9,016	\$7	\$3,875,256	\$128,255	\$1,709,041	\$2,294,470	\$105,901	\$106,157	\$3,261	\$33,190	\$193,538
Fiscal year:													
1936–37.....	312,389	293,386	94	—	291,703	2,737	1,000	312,389	—	—	—	—	—
1937–38.....	884,247	559,705	12,247	—	747,660	15,172	190,975	884,247	—	—	—	—	—
1938–39.....	1,280,539	395,000	13,539	—	811,251	26,837	441,795	1,280,539	—	—	—	—	—
1939–40.....	1,724,862	443,000	14,862	—	859,864	37,524	484,764	1,693,164	1,801	44,249	202	14,552	31,699
1940–41.....	2,283,658	563,000	10,658	—	892,023	45,893	537,343	2,093,737	104,100	61,347	3,059	17,784	189,921
2 months ended:													
August 1939.....	1,410,448	115,000	28,448	15	196,820	—	81,335	1,396,024	344	—	—	934	14,410
August 1940.....	1,817,015	98,000	9,015	20	200,414	—	108,151	1,785,427	414	1,073	—	1,617	31,569
August 1941.....	2,488,016	206,000	9,016	7	253,898	—	53,164	2,294,470	0	561	—	853	193,538
1940													
August.....	1,817,015	85,000	9,015	20	141,574	—	51,741	1,785,427	0	1,062	—	925	31,569
September.....	1,802,082	—18,000	12,082	—	9,278	133	80,414	1,714,424	43,549	13,558	3	1,020	87,659
October.....	1,824,962	31,000	3,962	68	56,741	—	82,994	1,688,171	50,016	21	—	973	136,723
November.....	1,939,111	113,000	5,111	68	143,023	—	29,863	1,801,331	1,014	781	—	806	137,712
December.....	1,957,977	11,300	12,677	—	12,819	21,509	30,826	1,804,833	1,452	14,668	1,016	1,733	153,144
1941													
January.....	1,995,108	29,000	20,808	12	68,204	—	38,001	1,835,036	2,462	40	—	3,085	160,061
February.....	2,100,651	113,000	13,351	12	145,649	—	40,426	1,940,259	2,467	512	—	2,659	160,381
March.....	2,092,339	—10,000	15,039	—	13,141	54	34,042	1,919,412	0	15,064	5	2,522	172,928
April.....	2,126,553	40,000	9,253	106	66,517	—	33,440	1,952,489	2,695	63	—	1,728	173,958
May.....	2,263,477	137,000	9,177	106	166,135	—	29,017	2,080,607	31	863	—	1,068	173,764
June.....	2,283,658	18,700	10,658	—	10,102	24,197	30,169	2,093,737	0	14,674	2,037	554	189,921
July.....	2,336,948	60,000	3,948	7	77,970	—	28,276	2,143,431	0	45	—	366	193,509
August.....	2,488,016	146,000	9,016	7	175,928	—	24,889	2,294,470	0	516	—	487	193,538

¹ Beginning July 1939, contains separate book account for railroad unemployment insurance account, in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Trust fund maintains separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

² Minus figures represent certificates redeemed.

³ Interest on redeemed Treasury certificates, received by fund at time of redemption but credited to separate book accounts only in last month of each quarter.

⁴ Includes transfers to railroad unemployment insurance account.

⁵ Includes amounts certified by the Social Security Board to the Secretary of the Treasury in behalf of the State of Connecticut for payment into railroad unemployment insurance account in accordance with sec. 13 of the Railroad Unemployment Insurance Act.

⁶ Includes transfers from railroad unemployment insurance administration fund in accordance with amendments of Oct. 10, 1940, to the Railroad Unemployment Insurance Act amounting to \$7.5 million in January 1941, \$3.9 million in July 1941, and \$667 in August.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

Recent Publications in the Field of Social Security

GENERAL

CANADA. BUREAU OF STATISTICS. *Family Income and Expenditure in Canada, 1937-1938; A Study of Urban Wage-Earner Families, Including Data on Physical Attributes*. Ottawa: King's Printer, 1941. 210 pp.

MAXWELL, J. A. "Canadian Dominion-Provincial Relations." *Quarterly Journal of Economics*, Cambridge, Mass., Vol. 55, No. 4 (August 1941), pp. 584-610.

A review of the work of the Canadian Royal Commission on Dominion-Provincial Relations.

NATIONAL INDUSTRIAL CONFERENCE BOARD. *The Economic Almanac for 1941-42; A Handbook of Useful Facts About Business, Labor and Government in the United States and Other Areas*. New York: The Board, 1941. 451 pp.

The second issue of an annual publication "designed to meet the need for a compact, convenient handbook containing the most significant and trustworthy statistical and other data useful to business executives, labor leaders, educators, students, journalists, and other citizens concerned with discussion and action in connection with current economic problems." Contains sections on government organization and defense activities, industrial and labor relations, and business conditions and economic developments. Summary data on the social security programs and on employment and unemployment are included.

NUGENT, ROLF. *Guns, Planes, and Your Pocketbook*. New York: Public Affairs Committee, 1941. 31 pp. (Public Affairs Pamphlet No. 59.)

A discussion of living standards as affected by the defense program of the United States.

"Paul V. McNutt Becomes Director of Health, Welfare and Related Activities." *Journal of the American Medical Association*, Chicago, Vol. 117, No. 11 (Sept. 13, 1941), p. 938.

PENNSYLVANIA. GENERAL ASSEMBLY. JOINT STATE GOVERNMENT COMMISSION. *Report . . . on the Organization and Administration of Pennsylvania's State Government*. Harrisburg, January 1941. 3,215 pp. Processed.

Supplement . . . Recommendations. Harrisburg, January 1941. 110 pp. Processed.

PERKINS, FRANCES. "Eight Years as Madame Secretary." *Fortune*, Vol. 24, No. 3 (September 1941), pp. 77-79 ff.

RIESMAN, DAVID, JR. "The American Constitution and International Labour Legislation." *International Labour Review*, Montreal, Vol. 44, No. 2 (August 1941), pp. 123-193.

A historical outline of decisions of the United States Supreme Court dealing with working conditions, social insurance, and related matters.

STEIN, OSWALD. "Building Social Security." *International Labour Review*, Montreal, Vol. 44, No. 3 (September 1941), pp. 247-274.

The chief of the social insurance section of the International Labor Office discusses the characteristics and functions of the various types of social security services. The social insurance systems of several European and South American countries are cited.

WATT, ROBERT J. "Security for Tomorrow." *American Federationist*, Washington, Vol. 48, No. 9 (September 1941), pp. 18-19.

The recommendations of the American Federation of Labor Committee on Social Security concerning social insurance, health services, and general relief.

WOOFTER, T. J., JR. *Community Problems in Defense Areas*. Chicago: American Public Welfare Association, 1941. 15 pp.

Some aspects of the various types of defense migration as they affect expanding communities, with comments on possible future problems and needs.

OLD-AGE AND SURVIVORS INSURANCE

GENERAL WELFARE FEDERATION OF AMERICA, INC. *Economic Security in the Sunset of Life by Means of the General Welfare Act Amendments to the Social Security Act*. Rev. Washington: The Federation, 1941. 36 pp.

Includes the text of the proposed General Welfare Act, H. R. 1410, to provide pensions of \$30 monthly for all persons over 60.

INSURANCE RESEARCH AND REVIEW SERVICE, INDIANAPOLIS. *A Study of Pension and Other Employees Trusts*. Indianapolis: The Service, 1941. 56 pp.

Presents the case for the adoption by management of retirement, profit-sharing, compulsory savings, or other benefit plans, and describes a number of such "incentive programs."

U. S. CONGRESS. SENATE. SPECIAL COMMITTEE TO INVESTIGATE THE OLD-AGE PENSION SYSTEM. *Preliminary Report . . .* Washington: U. S. Government Printing Office, 1941. 46 pp. (77th Cong., 1st sess., S. Rept. 666, Aug. 28, 1941.)

Contains the majority report of the Committee recommending a general pension system of \$30 monthly at age 60. Includes discussions of the problem of dependency, criticisms of the present programs of old-age security, and methods of raising 4 billion dollars—the estimated cost of the proposed pension program. Also contains the minority views of Senator Theodore Francis Green recommending a gradual liberalization, to be accomplished along the general lines advocated by the Social Security Board. A draft bill embodying the majority recommendations is included, and also a statistical appendix.

EMPLOYMENT SECURITY

All-Out Defense Job Training; A Call to Dynamic Action; Occupational Education Tour for School Superintendents, 1941. Los Angeles, June 1941. 48 pp. (May be ordered from Edwin A. Lee, Dean, School of Education, University of California, Los Angeles.)

A review of defense training needs, detailed suggestions to schools for meeting the present emergency, and a discussion of the long-range program of education for work. The appendix gives the text of recommendations, standards, defense occupations, and instructions issued by Federal agencies. Includes bibliographical and related data.

BURNS, EVELINE M. *British Unemployment Programs, 1920-1938; A Report Prepared for the Committee on Social Security.* Washington: Social Science Research Council, Committee on Social Security, 1941. 385 pp.

A detailed study of the development of British unemployment insurance and supplementary relief systems since 1920. It deals first with the period from 1920 to 1931, when the unemployment insurance system was expanded and also served as the chief instrument of unemployment relief. The restricted insurance program and the separately financed system of "transitional payments" which were in operation from 1931 to 1935 are then studied. The account of the period from 1935 to 1938 covers the adoption, organization, and general adequacy of the present program of insurance supplemented by unemployment assistance. Includes a general account of the legislative and policy developments and of the nature of the public assistance system. Also includes comprehensive bibliographical footnotes and appendixes dealing with the statistical and financial aspects of the subject.

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"Discussion: Unemployment Compensation in the United States." *Transactions of the Actuarial Society of America*, New York, Vol. 42, Pt. 1, No. 105 (May 15 and 16, 1941), pp. 96-112.

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A paper by the president of the Trades and Labor Congress of Canada.

NOVA SCOTIA. DEPARTMENT OF LABOUR. *Annual Report . . . for the Year Ended November 30, 1940.* Halifax: Provincial Secretary, King's Printer, 1941. 73 pp.

Includes information on youth training, employment services, and related activities of the Nova Scotia Department of Labour.

PENNSYLVANIA. DEPARTMENT OF LABOR AND INDUSTRY. BUREAU OF EMPLOYMENT AND UNEMPLOYMENT COMPENSATION. *Duration of Benefit Payments in Pennsylvania During 1939-40 Benefit Year.* Prepared by Research and Statistics Section. Harrisburg, 1941. 13 pp. Processed. (Statistical Information Bulletin No. 23, Aug. 20, 1941.)

"Summary of Amendments to the Illinois Unemployment Compensation Act." *Illinois Labor Bulletin*, Chicago, Vol. 2, No. 1 (July 1941), pp. 3-4 ff.

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PUBLIC WELFARE AND RELIEF

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AMERICAN PUBLIC WELFARE ASSOCIATION. *State Residence Requirements for Personnel in Public Assistance Agencies*. Chicago: The Association, April 1941. 11 pp. Processed.

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BLICKENSTAFF, C. E. "The Future of Social Welfare in Kansas." *Kansas Government Journal*, Topeka, Vol. 27, No. 9 (September 1941), pp. 18-19.

BRANDON, RODNEY H. "Departmental Reorganization." *Welfare Bulletin*, Springfield, Ill., Vol. 32, No. 8 (August 1941), pp. 3 ff.

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"Child Welfare." *Public Welfare Bulletin*, Bismarck, N. Dak., Vol. 6, No. 7 (July 1941), pp. 11-15. Processed.

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GIFFORD, L. D. "County Indigent Cases." *Tax Digest* Los Angeles, Vol. 19, No. 9 (September 1941), pp. 293-294 ff.

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This companion volume to the 1938 collection bearing the same title contains new material on social security, case work, and economic adjustments of the blind. It consists of discussions of interpretations of blindness, special educational problems, personal adjustment of the adult blind, economic and vocational adjustment, statistics of blindness, and the Federal Government and the blind. Includes an article by Jane M. Hoey on "Aid to the Blind Under the Social Security Act."

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RICHMAN, GERTRUDE K. *Expenditures by Families on Relief in Louisville, Kentucky*. Chicago: American Public Welfare Association, 1941. 24 pp.

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RUSSELL, HOWARD L. *Problems of an Administrator Working With a Merit System*. Chicago: American Public Welfare Association, 1941. 13 pp.

TOWLE, CHARLOTTE. *Social Case Records From Psychiatric Clinics; With Discussion Notes*. Chicago: University of Chicago Press, 1941. 455 pp. (University of Chicago Social Science Series.)

A textbook for the study of psychiatric case work containing 12 extensive case records, with discussions and a bibliography relevant to the special problems involved in each case.

TOWLEY, LOUIS. *Social Action and Professional Integrity*. Chicago: American Public Welfare Association, 1941. 14 pp.

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WHITTON, CHARLOTTE. *War and the Social Services in Canada*. Chicago: American Public Welfare Association, 1941. 11 pp.

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Summarizes "a report on work loads in the California State Relief Administration prepared by the staffs of the Bureau of Public Administration, University of California and of the Division of Planning and Research, California State Relief Administration."

HEALTH AND MEDICAL CARE

COMMONWEALTH CLUB OF CALIFORNIA. *Compulsory Health Insurance?* San Francisco: Commonwealth Club, *Transactions*, Vol. 35, No. 9, pp. 423-470. (Published as Part 2 of *The Commonwealth*, Vol. 17, No. 21, May 27, 1941.)

Contains the following papers: Report of Section Minority Favoring Compulsory Health Insurance, by Warren

H. Pillsbury; Case for Minority Report, by Samuel A. Goldman; Report of Section Majority Opposing Compulsory Health Insurance, by Frank M. Kaye; The Case for Majority Report, by Eugene S. Kilgore; and remarks by members of the public health section of the club.

DOLMAN, C. E. "The Health of the Nation." *Canadian Public Health Journal*, Toronto, Vol. 32, No. 8 (August 1941), pp. 387-403.

A discussion of Canadian vital statistics.

FITZHUGH, G. W. "Further Developments in Group Hospital Expense Insurance." *The Record* (American Institute of Actuaries), Chicago, Vol. 29, Pt. 2, No. 50 (October 1940), pp. 224-250.

Analyzes recent trends in private group hospitalization, including the morbidity experience of several life insurance companies in recent years. The paper is a sequel to one written by the author on this topic in 1934. It contains appendixes giving the text of expense certificates and policy provisions and showing a schedule for surgical operations.

GARCEAU, OLIVER. *The Political Life of the American Medical Association*. Cambridge, Mass.: Harvard University Press, 1941. 186 pp. (Harvard Political Studies.)

Describes the administration and workings of the AMA at national, State, and county levels; and includes factual data and comments on the services offered by the local medical bureaus, with special attention to the various methods of influencing local professional opinion. The attitude of the association toward national health plans is discussed, and the conclusion calls for recognition within the AMA of the need for "public confidence in matters of economic reform." Contains a bibliography.

KOSSORIS, MAX D., and KJAER, SWEN. "Industrial Injuries in the United States During 1940." *Monthly Labor Review*, Washington, Vol. 53, No. 2 (August 1941), pp. 327-354.

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WESTERN AUSTRALIA. REGISTRAR OF FRIENDLY SOCIETIES. *Report of Proceedings . . . Under the Friendly Societies Act, 1894-1939; Building Societies Act, 1920; Co-operative and Provident Societies Act, 1903; for the Year Ended 30th June, 1940*. Perth: Government Printer, 1941. 24 pp.

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